



CCC | Corruption and
Crime Commission



ANNUAL REPORT 2022-23

About this report

This report provides a comprehensive overview of the Commission's operational and financial performance for the 2022-23 financial year.

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www.ccc.wa.gov.au/key-terms

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Acknowledgement of Country

The Corruption and Crime Commission acknowledges the Traditional Owners of the land on which we work, the Whadjuk people of the Noongar nation. We pay our respect to their elders – past, present and emerging.

Artwork was painted by Corruption and Crime Commission staff under the guidance of Justin Martin from Djurandi Dreaming.

STATEMENT OF COMPLIANCE

The President of the Legislative Council

The Speaker of the Legislative Assembly

Corruption and Crime Commission 2022-23 Annual Report

In accordance with section 91(4) of the *Corruption, Crime and Misconduct Act 2003*, I am pleased to present the Annual Report of the Corruption and Crime Commission for the financial year ended 30 June 2023.

The report has been prepared in accordance with the provisions of section 91 of the *Corruption, Crime and Misconduct Act 2003* and section 61(1) of the *Financial Management Act 2006*.

Yours sincerely



John McKechnie KC
COMMISSIONER
23 November 2023

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COMMISSION OVERVIEW

The Corruption and Crime Commission (the Commission) is a team of approximately 130 staff that includes lawyers, investigators, intelligence analysts, assessment officers and corporate staff. The Commission is dedicated to reducing the incidence of serious misconduct and organised crime, as well as giving the Western Australian community confidence that public officers act in the public interest and not for self-interest.

This section provides a comprehensive overview of the Commission and its structure, the work that is done and how it contributes to broader State Government goals.

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COMMISSIONER'S REPORT



I am pleased to present the Annual Report for 2022-2023. The Commission continues to investigate suspected allegations of serious misconduct in the Public Sector and use its powers to investigate allegations of unexplained wealth.

At the request of the Hon Attorney General the Department of Justice is conducting a review of the *Corruption, Crime and Misconduct Act 2003*. Twenty years have passed since its enactment, and it is necessary to ensure that the legislation is fit for purpose. The review includes the definition of 'public officer' and scope of serious misconduct to enable the Commission to expand its jurisdiction. The proposed introduction of a Deputy Commissioner will allow continuity in functions of the Commission and ease the process of succession, as well as enable the Commission to accommodate concurrent operations.

Additionally, a proposed amendment to the definition of 'official information' will ease disclosure restrictions and obligations upon the Commission simplifying its ability to share information with other agencies. This will enable the Commission to better work collaboratively with public sector authorities on short- and long-term targets of suspected serious misconduct.

I note with sadness the passing of the inaugural Commissioner, Kevin Hammond AO on 21 October 2022. Mr Hammond former Chief Judge of the District Court served as Commissioner from December 2003 until his retirement in March 2007. His distinguished legal career spanned over 47 years. He will be remembered for his significant contribution to the legal profession of Western Australia.

Mr Ray Warnes PSM, Chief Executive died on 3 October 2022. His contribution to the Commission was enormous and is recognised in the naming of a Commission witness examination room.

I record my grateful thanks to Mr David Robinson Director Operations who acted as Chief Executive for this reporting year. His professionalism and achievements are recognised in this annual report.

In May 2023 the Commission welcomed back Ms Emma Johnson appointed as Chief Executive. Emma brings many years of experience at integrity agencies. Under her leadership I envisage the Commission to continue to modernise its conduct and performance as a leading anti-corruption agency.

Scott Ellis Esq. has diligently continued as Acting Commissioner and adds wisdom and perspective to the Commission's deliberation. I also record my thanks to Mr Des Pearson AO, chair of the Audit and Risk Committee.

In common with other areas of the public sector the Commission continues to experience staff shortages. These are exacerbated by the requirement for security vetting before appointment which contributes to a delay in recruitment.

Finally, I pay tribute to the officers of the Commission. An integrity agency is a vocation. It is a privilege to work beside them.

A handwritten signature in blue ink that reads "John McKechnie". The signature is fluid and cursive.

John McKechnie KC
COMMISSIONER

23 November 2023

YEAR AT A GLANCE

Assessing allegations of serious misconduct



3,367

Notifications
received



5,895

Allegations
assessed



45

Days on average
to complete an
assessment

53%

Completed
within
28 days

Overseeing actions taken by public authorities into allegations of serious misconduct

786

Allegations referred to
appropriate authorities
for action

1,146

Allegations finalised –
actions completed by
appropriate authorities

19

Active monitoring and
review matters completed

1

Thematic review completed

- informed by 10 reviews
- relating to 15 allegations



Evaluating public authorities' responses to Commission recommendations

3

Reviews completed into
responses to recommendations:

1. Department of Biodiversity,
Conservation and Attractions
2. Shire of Exmouth
3. WA Police Force

Investigations



58

Investigations conducted

29

Investigations completed

426

Days on average to
complete investigation



Examinations



30

Days of examinations

31

Witnesses examined

10

Investigations informed
regarding serious
misconduct and unexplained
wealth matters

Reports



34

Reports produced

Unexplained wealth



42

Unexplained wealth
referrals received

14

Initial investigations

9

Extensive investigations



\$10.7m

in assets frozen
at 30 June 2023

\$1.15m

in confiscation orders

OPERATIONAL STRUCTURE

Legislation

The Commission was established on 1 January 2004. The Commission operates according to the *Corruption, Crime and Misconduct Act 2003* (CCM Act) to improve the integrity of the government sector and reduce the incidence of serious misconduct by public officers (including police misconduct) as well as authorise and oversee the use of exceptional powers and fortification removal in relation to organised crime. Under the CCM Act, the Public Sector Commission is responsible for dealing with minor misconduct and misconduct prevention and education across the government sector.

The Commission audits and reports on the authorisation and use of controlled operations undertaken by the WA Police Force, Department of Primary Industries and Regional Development (Fisheries) and the Australian Criminal Intelligence Commission (formerly Australian Crime Commission) under the *Criminal Investigation (Covert Powers) Act 2012* (CICP Act).

The *Misuse of Drugs Amendment Act 2023* introduced amendments to the *Misuse of Drugs Act 1981* to create a Border Search Areas scheme (BSA scheme) to detect, deter and reduce the importation of illicit drugs into Western Australia. From June 2023, the Commission oversees and reports on the use of this power by the WA Police Force.

Since September 2018 the Commission has functions under the *Criminal Property Confiscation Act 2000* (CPC Act) with respect to the investigation and confiscation of unexplained wealth and criminal benefits.

This enables the Commission to commence civil proceedings before the Supreme and District Courts for freezing and confiscation of property. Proceeds from such action is paid to the Confiscation Proceeds Account managed by the Department of Justice.

Other Key Legislation

Statutes relevant to the performance of functions under the CCM Act include:

- *Criminal Investigation Act 2006*
- *Criminal Investigation (Identifying People) Act 2002*
- *Criminal Organisations Control Act 2012*
- *Criminal Procedure Act 2004*
- *Evidence Act 1906*
- *Firearms Act 1973*
- *Local Government Act 1995*
- *Police Act 1892*
- *Public Interest Disclosure Act 2003*
- *Surveillance Devices Act 1998 (WA)*
- *Telecommunications (Interception and Access) Act 1979 (Cth)*
- *Telecommunications (Interception and Access)*
- *Western Australia Act 1996*
- *Witness Protection (Western Australia) Act 1996*

Responsible Minister

The Attorney General has administrative responsibility for the CCM Act and is the responsible Minister for the Commission's budget.

External Oversight

The Joint Standing Committee on the Corruption and Crime Commission (JSCCCC), assisted by the Parliamentary Inspector, oversees the Commission.

The current JSCCCC members are:

- Mr Matthew Hughes MLA;
- Hon Dr Steve Thomas MLC;
- Hon Mia Davies MLA; and
- Hon Klara Andric MLC.

The current Parliamentary Inspector is Mr Matthew Zilko SC, who commenced his five-year term on 23 November 2020.

Internal Governance

Integrity Framework

The Integrity Framework outlines the governance systems, mechanisms and controls to support all employees in the roles they play in promoting and supporting a culture of integrity in the Commission. The Framework aligns with the Integrity Strategy for WA Public Authorities 2020-2023 published by the Public Sector Commission.

Corporate Executive Committee

The Corporate Executive Committee (CEC) supports the Commissioner and Chief Executive through the provision of advice and the implementation of corporate strategies, policies and organisational performance improvement initiatives. The CEC ensures the Commission fulfils its statutory obligations.

Operations Committee

The purpose of the Operations Committee is to provide advice to the Commissioner on responses to misconduct and corruption allegations.

The Committee, on behalf of the Commissioner, acts as a governance mechanism for the strategic management of the Commission's assessment, oversight, investigation, capacity building and inspection functions outlined in the CCM Act, CICIP Act and CPC Act.

Risk and Audit Committee

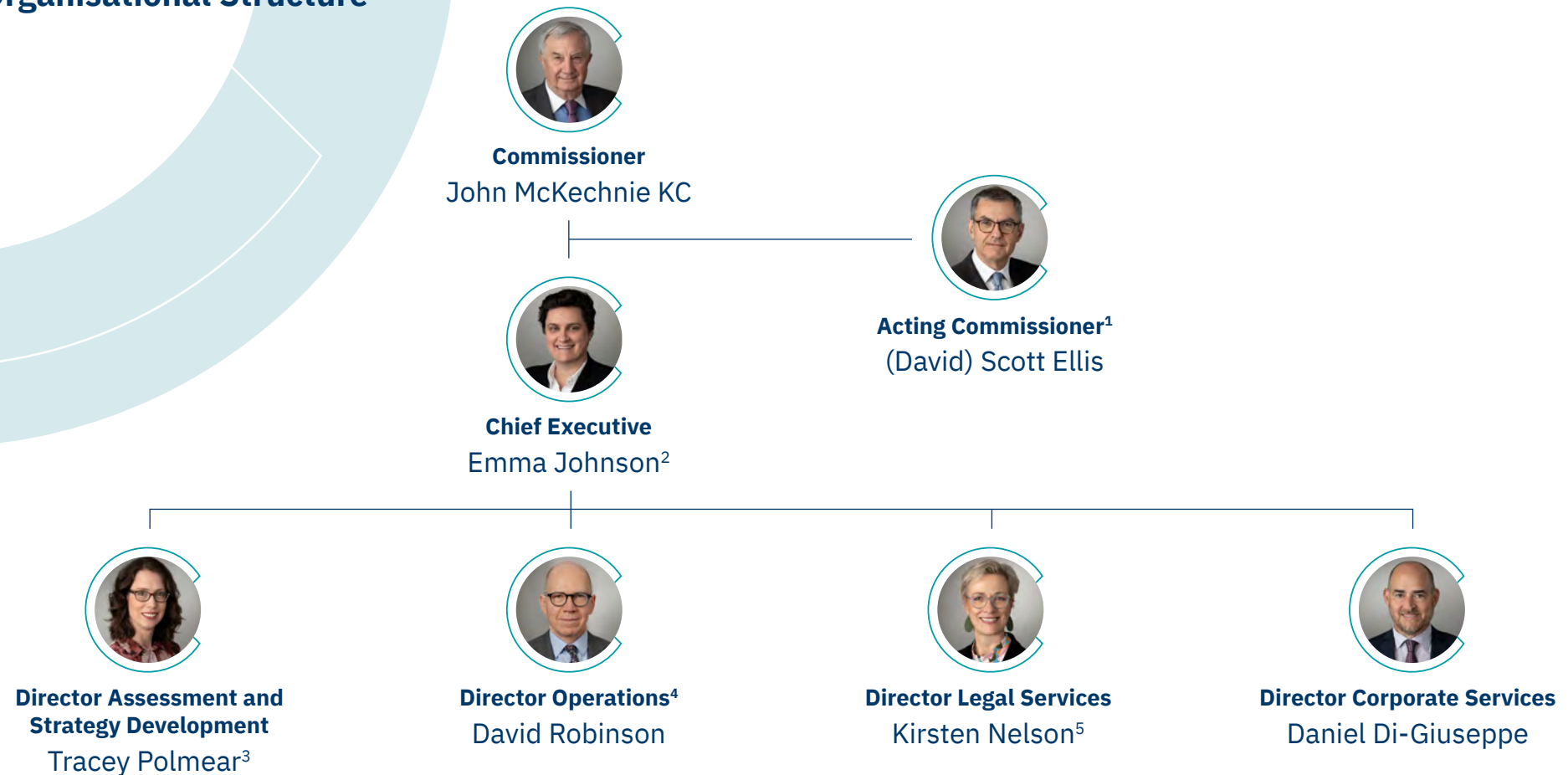
The independent chair of the Commission's Risk and Audit Committee is Mr Des Pearson AO. Mr Pearson has more than 40 years of public service experience, including 21 years as the Auditor General of Western Australia. The Commissioner and the Acting Commissioner are members of the Committee.

The Committee assists the Commission to fulfil its statutory obligations by:

- providing assurance on the governance, oversight and strategic guidance of the Commission's financial and performance reporting, system of risk oversight and management, and system of internal controls; and
- continually improving the Commission's business performance, operational effectiveness and internal control environment.



Organisational Structure



1 The Acting Commissioner is appointed to act in the office of Commissioner if there is a vacancy or the incumbent is unable to perform the functions of the Commissioner.

2 Emma Johnson was appointed Chief Executive on 9 May 2023. David Robinson was acting Chief Executive until 8 May 2023.

3 Tracey Polmear was appointed Director on 18 July 2022.

4 Warren Cattell was acting Director Operations until 8 May 2023.

5 Kirsten Nelson was appointed Director on 28 November 2022.

Senior Officer Profiles



Commissioner

John McKechnie KC

Commissioner McKechnie was appointed Commissioner in April 2015 and reappointed for a further term of five years on 28 June 2022. He retired from the Supreme Court of Western Australia to take up the appointment after 16 years, the last three as Senior Judge General Division. He is a Fellow of the Australian Academy of Law.



Chief Executive

Emma Johnson

Emma was appointed as Chief Executive in May 2023. Emma has held various leadership positions in both State and Commonwealth Government agencies, across a range of areas including integrity, national security and law enforcement. Prior to this role, Emma was an Assistant Commissioner at Australian Border Force. Emma was previously Deputy CEO at Sport Integrity Australia and was Co-Chair and expert advisor to agencies and initiatives such as the World Anti-Doping Agency and Play by the Rules. Emma previously held the position of Director Assessment and Strategy at the Commission.



Acting Commissioner

(David) Scott Ellis

Scott was initially appointed on 10 July 2019 and has been re-appointed twice since then. As Acting Commissioner, he performs the function of Commissioner if the incumbent is unable to perform the functions of the Commission or if there is a vacancy in the office.

Scott also practices as arbitrator, mediator and barrister from Francis Burt Chambers in the area of commercial dispute resolution including construction and infrastructure and mining and energy disputes. He was formerly a partner of Freehills.



Director Assessment and Strategy Development

Tracey Polmear

Tracey commenced in the role of Director Assessment and Strategy Development in 2022 and brings to the Commission over 19 years of public service career experience. Tracey leads the Commission's assessment, monitoring and review functions, forming part of the Commission's wider oversight of WA Government Sector response to allegations of serious misconduct.



Director Operations

David Robinson

David was Acting Chief Executive from August 2021 to May 2023. David was appointed Director Operations in 2016 and prior to that held senior positions in the Corruption Prevention Directorate and Assessment Unit. David has over 30 years' experience in the Western Australian Public Sector including the Department of the Premier and Cabinet, the Department of Education, the Public Sector Commission, and the Ombudsman's office. In 2019 and 2021 he was a sessional academic at Edith Cowan University teaching a unit on misconduct and corruption prevention. David has a BA in History and Politics and an MA in Public Policy.



Director Legal Services

Kirsten Nelson

Kirsten commenced in the role of Director Legal Services in May 2022 bringing over eight years of direct experience as Counsel Assisting the Commission and 20 years of experience in public sector legal roles in Western Australia and New South Wales.

Kirsten commenced her career as a State Prosecutor in New South Wales prosecuting police officers and others for corrupt conduct exposed during the Wood Royal Commission into the New South Wales Police Force. Prior to working at the Commission, Kirsten was a Senior State Prosecutor at the Western Australian Office of the Director of Public Prosecutions. Kirsten appeared as a Prosecutor before the Supreme, District and Magistrates Courts, as well as before the courts and State Administrative Tribunal on behalf of a regulator, the Commissioner for Consumer Protection. Kirsten was appointed Counsel Assisting at the Perth Casino Royal Commission in 2021.



Director Corporate Services

Daniel Di-Giuseppe

Daniel joined the Commission in 2022 with over 30 years experience in law enforcement, policy and legislation, risk management, governance, information management, corporate services and change management. As an active member of the Corporate Executive, Daniel's focus is providing the Commission with the support and resources required to deliver its key services.

Daniel leads a talented group of people who are dedicated to organisational performance, security and workforce capability. Daniel is a committed advocate for work health and safety and is shaping and driving a culture of assurance and due diligence in safety across the Commission.

Directorate Profiles

The Commission has an Executive Office and four directorates that work collaboratively to maximise the effectiveness of the Commission.

Executive Office

The Executive Office provides diverse services to support the Commissioner, Acting Commissioner and Chief Executive, including the preparation and publication of reports, executive officer support to Commission committees, facilitation of risk management and internal audit processes, development of communication strategies for internal and external audiences, and administrative support.

Assessment and Strategy Development

The Assessment and Strategy Development Directorate has three units – Assessments, Oversight and Research and Reporting. The Directorate assesses allegations of serious misconduct (including police misconduct), monitors and reviews actions taken by public authorities, and carries out research and analysis to inform Commission priorities.

Operations

The Operations Directorate carries out the Commission's investigative activities. The Directorate's two units, Investigations and Operational Support, work together to identify and investigate allegations of serious misconduct of unexplained wealth. The focus of the Commission's investigative activity is on systemic and complex matters, many of which require the use of specialist capabilities.

Legal Services

The Legal Services Directorate supports the Commission in the performance of its functions under the CCM Act, the CACP Act, CPC Act and, from 26 June 2023, in its role under the *Misuse of Drugs Act 1981* to oversee the use of Border Search Area powers.

The Directorate provides legal advice to the Commission, represents the Commission in court proceedings (including unexplained wealth applications), appears as Counsel Assisting at Commission examinations, prepares Commission reports and provides leadership in relation to all aspects of the Commission's operations.

Corporate Services

The Corporate Services Directorate ensures the delivery of high quality corporate services to the Commission. These services cover human resources, financial services, information technology, information and knowledge management, work health and safety, security and facilities services, and project management.

ABOUT THE COMMISSION



VISION

A Western Australian community and government sector that actively exposes and resists corruption and a community free from organised crime.



GOAL

When dealing with allegations the goal is to ensure processes:

- Are accessible and transparent;
- Occur in a timely, efficient and effective manner; and
- Promote confidence in the oversight of and capacity building/prevention of corruption in public sector agencies and the WA Police Force.



ACCOUNTABILITY

Information about the Commission's performance is published in the Commission's [annual reports](#).

The Commission reports on its performance to the WA Parliament and the Parliamentary Inspector of the Commission.



STRATEGIC THEMES

The Commission exposes and responds to corruption in areas identified as risks within the Government sector. These are:

- Police Misconduct
- People at risk
- Procurement and financial management
- Data and information
- Policy, regulation and licensing
- Use of force



PURPOSE

The Corruption and Crime Commission assesses, investigates and exposes serious misconduct in the Western Australian government sector, along with misconduct and reviewable police action in the WA Police Force. The Commission also assists the WA Police Force to combat the incidence of organised crime.

The Commission performs its function by:

- Receiving and assessing allegations of potential serious misconduct.
- Conducting and overseeing investigations or investigating unexplained wealth and intervening to disrupt criminal activity.
- Conducting investigations into allegations of serious misconduct.
- Facilitating the exercise of the unexplained wealth function.

Workforce Profile

Workforce data only includes employees paid by the Commission. It does not include Commission employees on secondment to another agency or employees on placement at the Commission from another agency where the employee is paid by that agency.

138
Employees

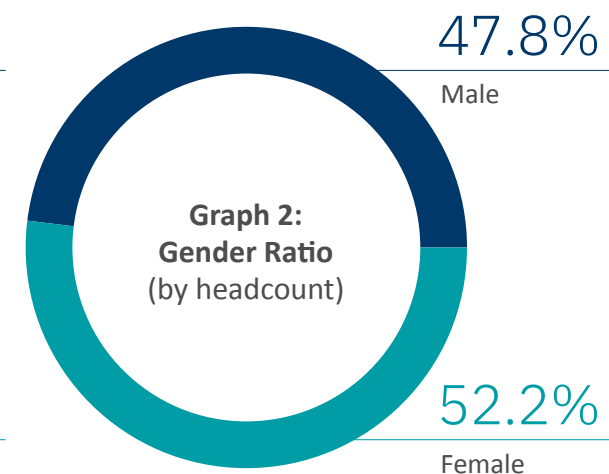
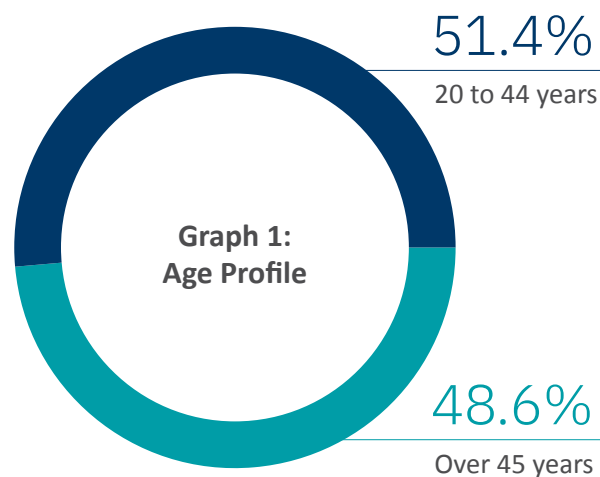
120
Full-time

18
Part-time

128.39
FTE Number

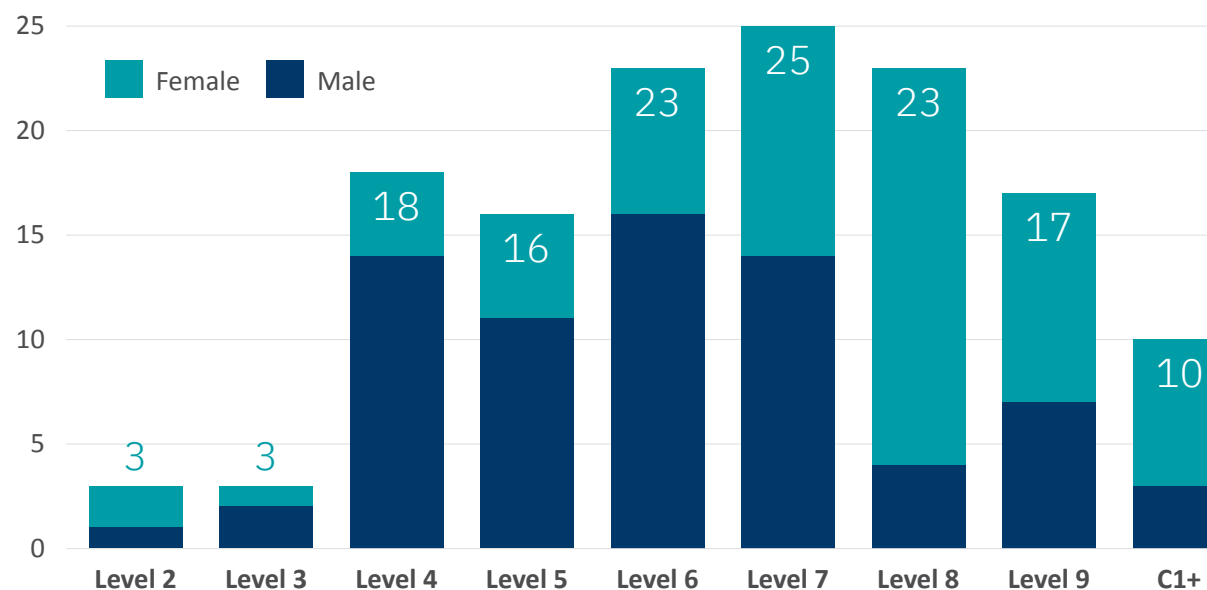
13.1%
People from culturally
and linguistically
diverse backgrounds

Source: 2022-23 Minimum Obligatory
Information Requirements.



Graph 3: PSCSAA Equivalent Classifications

Number of people at each classification level split by gender



PERFORMANCE MANAGEMENT FRAMEWORK

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The Commission supports the State Government's goal of 'Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive' through delivery of the following two services:

1. Assessing all allegations of serious misconduct received.
2. Investigating allegations of serious misconduct.

Table 1 illustrates the relationship between services and the desired outcome, against the government goal to which it contributes.

Key effectiveness indicators measure the extent to which the delivery of services contribute to achieving the desired outcome. The key efficiency indicators monitor the relationship between the services delivered and the resources used to provide the service.

Changes to the Commission's Outcome-Based Management Framework

The Commission's Outcome-Based Management Framework did not change during 2022-23.

Shared responsibilities with other agencies

The Commission did not share any responsibilities with other agencies in 2022-23.

Table 1: Performance Management Framework

Government Goal – Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive	
DESIRED OUTCOME AGAINST GOVERNMENT GOAL	
The integrity of the public sector continuously improves and the incidence of misconduct is reduced.	
SERVICES PROVIDED	
1 Assessing all allegations of serious misconduct received	2 Investigating allegations of serious misconduct
KEY EFFECTIVENESS INDICATORS	
<ul style="list-style-type: none"> Number of allegations received. Allegations as a percentage of people employed within public authorities under the Commission's jurisdiction. 	<ul style="list-style-type: none"> Number of investigations. Number of reports published.
KEY EFFICIENCY INDICATORS	
<ul style="list-style-type: none"> Percentage of assessments completed within 28 days. Average cost of assessment. 	<ul style="list-style-type: none"> Percentage of investigations completed within 12 months. Average time (days) to complete an investigation into serious misconduct.

AGENCY PERFORMANCE

What the Commission delivers is fundamental to open and effective government in Western Australia, and to improving community confidence in the government sector.

This section outlines the Commission's performance in carrying out its responsibilities to expose and disrupt corruption, serious misconduct and organised crime. It provides a detailed report on operations, structured around key functions and responsibilities, and the activities supporting operational performance.

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SUMMARY OF PERFORMANCE

SUMMARY OF FINANCIAL PERFORMANCE

Table 2: Summary of actual versus target financial results for 2022-23

	2022-23 Target	2022-23 Actual	Variation ⁶
	\$'000	\$'000	
Total cost of services (expense limit)	31,451	28,917	(2,534) ^a
Net cost of services	31,411	28,816	(2,595) ^b
Total equity	26,313	30,617	4,304 ^c
Approved salary expense level	18,300	17,532	(768) ^d

a The variation is mainly due to the employee costs underspend relating to vacancies across the Commission along with underspend in expenditure.

b The variation is as per (a) above which is offset by revenue.

c The variation mainly relates to an underspend in expenditure.

d The variation is due to vacancies across the Commission.

► **Full details of the financial performance are provided in the Financial Statements from page 47.**

⁶ Further explanations for variations are contained in Note 9.1 'Explanatory statement' to the financial statements.



SUMMARY OF KEY PERFORMANCE INDICATORS

The following tables summarise 2022-23 actual results against the target results for effectiveness and efficiency indicators.

Effectiveness Indicators

Table 3: Summary of actual versus target results for effectiveness indicators in 2022-23

	2022-23 Target	2022-23 Actual	Variation
Service 1: Assessing all allegations of serious misconduct received			
Number of allegations received	5,000	5,895	895
Allegations as a percentage of people employed within the public authorities under the Commission's jurisdiction	2.60%	2.69%	0.09%
Service 2: Investigating allegations of serious misconduct			
Number of investigations	50	58	8
Number of reports published	40	34	(6)

Efficiency Indicators

Table 4: Summary of actual versus target results for efficiency indicators in 2022-23

	2022-23 Target	2022-23 Actual	Variation
Service 1: Assessing all allegations of serious misconduct received			
Percentage of assessments completed within 28 days	80%	53%	(27%)
Average cost of assessment	\$908	\$663	(\$245)
Service 2: Investigating allegations of serious misconduct			
Percentage of investigations completed within 12 months	80%	66%	(14%)
Average time (days) to complete an investigation into serious misconduct	350	426	76

► Full details of key performance indicators are provided in the Key Performance Indicators section from page 40.

SERVICE DELIVERY: ASSESSING SERIOUS MISCONDUCT ALLEGATIONS

SERIOUS MISCONDUCT ALLEGATIONS

3,367

Notifications/reports received

5,895

Allegations received (KPI)⁷

Relating to

147

Government authorities

53%

of assessments completed
within 28 days (KPI)

Allegations assessed in

45

Days on average

Allegation sources

The Commission assesses all allegations of serious misconduct (including police misconduct) within the government sector. Notifications are received from a variety of sources and frequently contain more than one allegation of suspected serious misconduct and/or identify more than one public officer.

In 2022-23:

- 54.2% (3,195) of all allegations assessed were notified by government authorities. This group has a statutory obligation to notify the Commission of certain behaviours, which may constitute serious misconduct.
- 43.8% (2,583) of allegations assessed were reported by the general community (whether from public officers or other members of the public).

In addition to allegations being reported, the Commission can also formulate its own propositions of serious misconduct under section 26 of the CCM Act.

This enables the Commission to proactively respond to serious misconduct matters and areas of risk within the government sector, based on the Commission's own knowledge and experience. In 2022-23, the Commission proposed four allegations of serious misconduct.

► **A breakdown of assessment sources is provided in Appendix One.**

⁷ Assessed allegations will relate to notifications/reports received by the Commission in this or the previous reporting period.

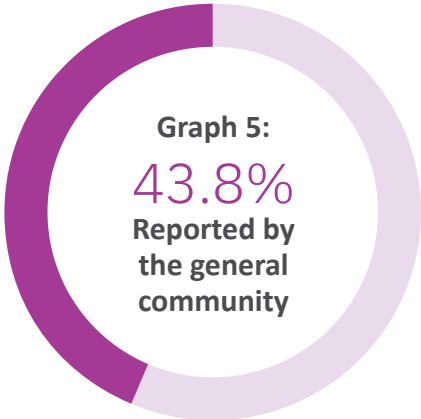
Graph 4:

54.2%
Notified by
government
authorities



Graph 5:

43.8%
Reported by
the general
community

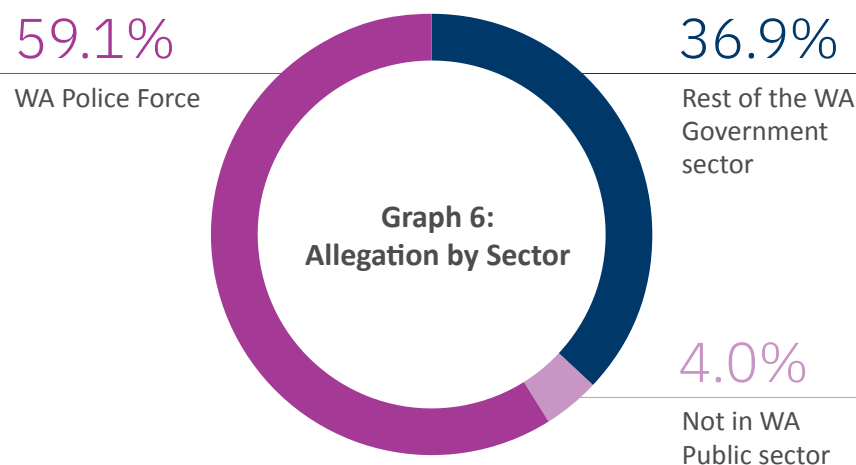


Allegation by Sector

Over half (59.1%) of all allegations assessed in 2022-23 related to alleged police misconduct. The Commission has jurisdiction to assess all alleged police misconduct under the CCM Act, which includes minor and serious misconduct.

36.9% of the remaining allegations assessed related to the rest of the WA government sector, including departments, SES organisations, local government authorities and government trading enterprises (GTEs). It should be noted that 4% of allegations were outside of the Commission's jurisdiction or there was no agency specified.

► A comprehensive breakdown of the distribution of allegations across WA Government authorities and sectors is provided in Appendix One.



Allegation Categories

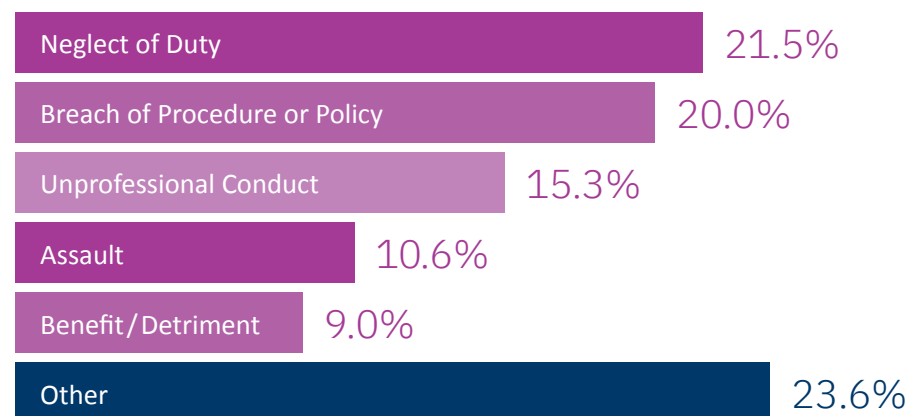
Allegation categories are a classification system that group specific activities, which inform the Commission on the behaviours that are most commonly associated with serious misconduct and corruption across the government sector.

The top five allegation categories for the WA Police Force remain similar to those in previous reporting periods and make up 76.4% of all police misconduct allegations. The majority of allegations relating to police misconduct were reported directly from the WA Police Force (61.3%), followed by the general community (38.7%).

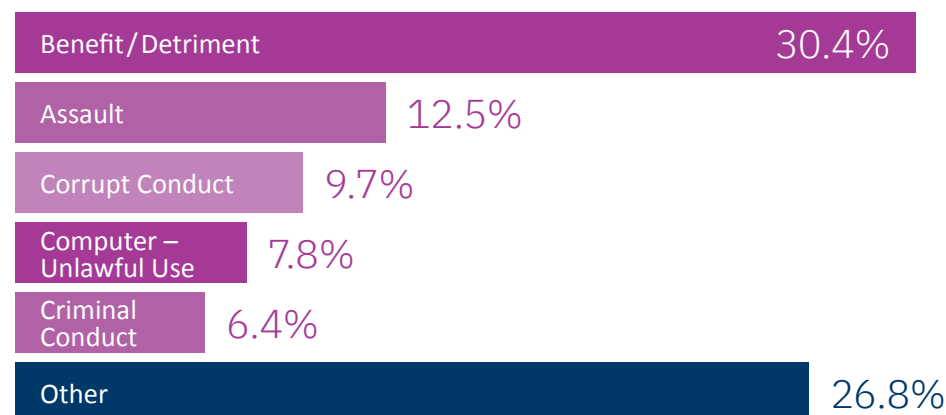
With regards to the rest of the government sector, the top five allegation categories make up 66.8% of all allegations assessed. Allegations received about the government sector were almost evenly split with 47.1% of allegations originating from the general community and 47.7% being reported by notifying authorities.

Graph 7: Allegations by Category: breakdown of the top five allegation categories

WA Police Force



Rest of the WA Government sector



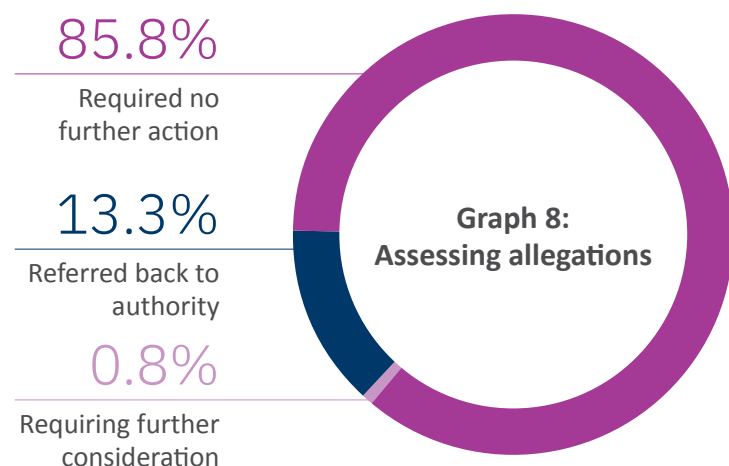
Assessing allegations

The Commission assesses allegations to determine whether, on the information available, there is a reasonable suspicion that serious misconduct may have occurred or may be occurring. This informs what action is then taken.

Of the 5,895 allegations assessed in 2022-23:

- 85.8% (5,059) required no further action by the Commission, due to one or more of the following:
 - insufficient information available to form a reasonable suspicion of serious misconduct;
 - the appropriate authority had or was adequately dealing with the allegation;
 - the nature of the allegation did not warrant any further action by the Commission (public interest); or
 - the allegation was outside of the Commission's jurisdiction.
- 13.3% (786) of allegations assessed were referred back to the appropriate authority for action. In these instances, the Commission provided an oversight function into the actions taken, with the appropriate authority required to provide a detailed report to the Commission upon conclusion of the action taken.
- 0.8% (50) of allegations assessed were identified as requiring further consideration by the Commission's Operations Committee or some level of investigation due to the seriousness or significance of the allegation.

► A breakdown of assessment decisions is provided in Appendix Two.



OVERSEEING ACTIONS TAKEN BY PUBLIC AUTHORITIES INTO ALLEGATIONS OF SERIOUS MISCONDUCT

786

Allegations referred to government authorities for action

1,146

Allegations finalised – actions completed by government authorities⁸

19

Active monitoring and review matters completed⁸

1

Thematic review completed into WA Police Force prosecutions:

- informed by 10 reviews

- relating to 15 allegations

Government authorities are responsible for:

- managing their serious misconduct risks;
- investigating alleged misconduct by their staff; and
- determining what action should be taken to deal with it, including the issuing of any disciplinary action.

The Commission has a role in ensuring that government authorities deal with serious misconduct in an appropriate manner. Through an oversight role, the Commission gains insight into the authority's internal processes and its capacity to deal with serious misconduct matters. The Commission does this by monitoring for outcome or monitoring for review.

Of the 5,895 allegations received, there was a reasonable suspicion of serious misconduct (including police misconduct and reviewable police action) assessed in 2,212 allegations. During the reporting period, 786 of those 2,212 allegations (35.5%) were referred to the appropriate authority for action. 721 allegations (32.6%) were referred as monitoring for outcome and 65 allegations (2.9%) referred as monitoring for review.

⁸ Assessed allegations will relate to notifications/reports received by the Commission in this or the previous reporting period.

Monitoring for Outcome

When the Commission refers an allegation to a government authority for action, the Commission will monitor the action taken. The authority is required to provide the Commission with an outcome report detailing the actions they have taken to address the allegation. The Commission retains oversight through progress updates and evaluation of the authority's outcome report.

When evaluating an authority outcome report, the Commission considers whether the actions taken by the government authority were appropriate and the conclusions reached were open to be made.

If the Commission has concerns about the authority's action, further information may be requested and feedback given to the authority. If serious concerns are identified, the Commission may decide to review the action taken or investigate the allegations.

During 2022-23, four matters that were initially being monitored for outcome were escalated to full review due to identified concerns.

Monitoring for Review (active monitoring and review)

For more serious allegations, or if concerns are held by the Commission about an authority's ability to take appropriate action, the Commission may refer an allegation for 'active monitoring' and review. In such cases, a more structured program of engagement, consultation and proactive oversight is implemented. Monitoring for review represents a much smaller number of allegations referred to government authorities for action.

On completion of the authority's actions, the Commission conducts a comprehensive review of the actions taken and conclusions reached. Information beyond that provided in the outcome report may be requested and considered in the review.

Following every review, the Commission will provide formal feedback to the authority about the effectiveness of the action taken and if appropriate, identify any areas for improvement. The feedback is provided in a report to the head of the authority. A copy is also provided to the Public Sector Commission to inform its prevention and education function.

During this reporting period, 19 reviews were completed of authorities' actions into the 65 allegations.

► Refer to page 26 for more information about Commission reports and recommendations.

Finalising Outcomes

Once a government authority has provided its outcome report to the Commission, and the Commission has reviewed the report and performed any further action required, it finalises the matter.

In 2022-23, the Commission considered and finalised 698 matters that were subject to oversight, relating to 1,146 allegations. It should be noted that these finalised allegations may span more than one financial year.

Thematic Reviews

Thematic reviews are conducted to consider an authority's action taken in response to an identified class of allegation.

During the reporting period, the Commission completed one thematic review on the serious misconduct risks associated with the WA Police Force management of prosecutions. The review considered 26 notifications made to the Commission between 2020 and 2021 and broadly examined the authority's capacity to appropriately identify, respond to and manage the associated risks.

The review affirmed that misconduct risks continue to accompany the prosecution process. Equally, it demonstrated the continued commitment of the WA Police Force in identifying and implementing strategies to manage risk associated with prosecutions. The Commission encouraged the WA Police Force to continue to proactively identify and implement opportunities to improve the supervision, training and systems related to brief preparation.

SERVICE DELIVERY: INVESTIGATING ALLEGATIONS OF SERIOUS MISCONDUCT

58

Investigations conducted (KPI)⁹

32

Preliminary investigations¹⁰

14

Cooperative investigations

12

Independent investigations
Relating to 27 public authorities

29

Investigations completed:

- 66% completed within
12 months (KPI)- 426 days on average to
complete investigation (KPI)

The Commission focuses its investigative resources on the most serious and significant matters, and those where there is likely to be the greatest impact on improving integrity within the government sector.

Serious misconduct investigations have different degrees of complexity, raise different logistical issues and, therefore, vary in duration. It is common for investigations to be active for more than one year.

Preliminary investigations are undertaken when additional information beyond the allegation is required to determine whether further action is warranted, in the form of an independent or cooperative investigation. Of the 32 preliminary investigations conducted in 2022-23, 21 commenced in prior financial years and were counted in the prior year result of 35 preliminary investigations conducted.

In recent years, the Commission has conducted more cooperative investigations, which increases the resources available to conduct the investigation and allow more efficient information sharing. Cooperative investigations also allow public authorities to manage their own risks during the investigation and take greater ownership of any outcomes. During this reporting period, 53.85% (14) of investigations that progressed beyond a preliminary investigation were undertaken in cooperation with either the employing authority, WA Police Force, or both (compared with 60.9% (14) in 2021-22).

As part of its functions under the CCM Act s 26, investigations can also be generated from the Commission's own propositions. These investigations support strategic themes on responding to serious misconduct risks in areas identified as a priority within the government sector. In 2022-23, 21 investigations were generated by the Commission (25 were internally generated in 2021-22) under the CCM Act s 26.

⁹ Includes investigations still in progress as of 30 June 2023 as well as all finalised during 2022-23.

¹⁰ Preliminary investigations that progressed to cooperative or independent investigations during the reporting period are not included. They are reported as either cooperative or independent investigations, as appropriate.

SERVICE DELIVERY: IDENTIFYING AND CONFISCATING UNEXPLAINED WEALTH

42

Referrals of matters received

14

Self-initiated matters

14

Initial investigations conducted

9

Extensive investigations
conducted

\$10.7m

in assets frozen as
at 30 June 2023

\$1.15m

in confiscation orders

The objective of identifying and confiscating unexplained wealth is to remove the financial incentive for criminal activity, disrupt ongoing criminal activity and in turn, reduce harm to the community. The Commission's work to identify and target people who have accumulated wealth through unlawful means, complements actions taken by other law enforcement agencies.

Under the CPC Act, the Commission may apply to the court for an unexplained wealth or criminal benefits declaration against a respondent. In relation to unexplained wealth matters, the Commission does not need to prove any connection to the commission of an offence: the onus of proof is reversed so the respondent must disprove the presumption that property has been unlawfully acquired.

The investigation of unexplained wealth matters is complex and lengthy and requires the Commission to exercise a variety of powers under the CPC Act. Unexplained wealth matters frequently involve considerable forensic accounting, legal and investigative capabilities within the Commission and, in some instances, have interstate and international elements.

During 2022-23 the Commission had seven matters before the Supreme Court of Western Australia (Supreme Court) with six still ongoing at year end:

- Six CPC Act proceedings continuing in the Supreme Court commenced in previous reporting periods; and
- One CPC Act proceeding commenced in the Supreme Court during 2022-23; and

Two CPC Act proceedings were resolved during 2022-23:

- *CCC v Abdul-Aziz [2020]* resolved without going to trial in November 2022 resulting in an unexplained wealth declaration of \$628,367.63. To satisfy this liability the Commission confiscated funds held in a bank account.
- *CCC v James Andrew Villa [2023]* resolved without going to trial in May 2023 resulting in an unexplained wealth declaration of \$522,247. To satisfy this liability the Commission confiscated funds held in bank accounts, two motor vehicles, cash, two jet skis and a trailer.

Since receiving the unexplained wealth function in 2018, the Commission has pursued targets and developed working relationships with key law enforcement agencies.

Of the 14 initial investigations conducted in 2022-23, seven commenced in prior financial years, and of the nine more extensive investigations conducted in 2022-23, eight commenced in prior financial years.

OUTCOMES OF OVERSIGHT MATTERS AND INVESTIGATIONS

Changes in Public Authority Practices

Outcomes and recommendations from Commission reviews and investigations can result in government authorities making important changes to their policies and practices to strengthen their integrity frameworks and management of serious misconduct risks.

By example, in 2022-23 the Commission publicly reported on the WA Police Force investigation into the arrest and charging of a male person for disorderly conduct. The review considered the action taken by the WA Police Force was deficient, unacceptably protracted and lacked transparency. The Commission deemed the investigation inadequate.

While the Commission agreed that the arrest was lawful and decisions reached by the WA Police Force were open to be made, the arrest and subsequent charges were considered oppressive in the circumstances.

In response to the concerns identified, the Commission recommended that the WA Police Force review and amend its policies and procedures to clearly articulate acceptable timeframes for investigation and internal review.

The Commission will review the WA Police Force action taken in 12 months' time.

Charges and Convictions

In the course of investigations the Commission may uncover evidence of criminal offending. The Commission does not have the power to prosecute criminal offences but pursuant to the CCM Act, the Commission will provide evidentiary material to prosecuting authorities such as the WA Police Force, the State Solicitor's Office and the Office of the Director of Public Prosecutions. Those bodies will determine whether to commence a prosecution. Prosecutions arising from Commission investigations are an important means of deterring serious misconduct in the government sector as well as stopping the commission of further offences by the person or persons investigated.

In 2022-23, criminal prosecutions were commenced against six individuals based on evidence arising from Commission investigations.

Table 5 summarises charges and convictions during the reporting period. In total, 97 charges were laid and five individuals were convicted, with a number of prosecutions still ongoing at the end of the reporting period. In 2022-2023 prosecutions were commenced for a range of offences, including:

- bribery of a public officer, *Criminal Code* (WA) s 82;
- public officer acts corruptly in performance/ discharge of functions, *Criminal Code* (WA) s 83(c);
- disclose restricted matter contrary to notation on summons, CCM Act s 167(3); and
- gain a benefit by fraud, *Criminal Code* (WA) s 409.

Table 5: Charges and Convictions in 2022-23

Charges and Convictions	Against Public Officers	Against non-Public Officers	Total
Charges laid	40	57	97
Charges pending before the courts at the end of the reporting period (includes charges laid in previous years)	43	76	119
Charges discontinued, dismissed or set aside	2	544	546
Individuals charged	4	2	6
Individuals convicted	5	0	5
Individuals acquitted	2	0	2

Producing Reports

The Commission produces reports and makes recommendations that expose corruption and assist government authorities to address and reduce the risk of serious misconduct. This is done through the Commission's active monitor and review function, investigations and the evaluation of government authorities' responses to recommendations.

Reports

Commission reports detail the outcomes of investigations and reviews, as well as highlighting any other serious misconduct risks identified through operational activities.

The Commission produces reports about government authorities' responses to Commission recommendations. These reports assist public authorities in rebuilding public confidence by demonstrating how they have addressed the identified risks. The Commission produced 34 reports in 2022-23

► **Tabled reports are available on the Commission's website.**

Making Recommendations

Recommendations are made to government authorities when consideration should be given to taking action in relation to specific matters or people.

During 2022-23, the Commission made a recommendation to the WA Police Force following a Commission review of the action taken. The recommendation was centred on strengthening WA Police Force internal policies and procedures to improve their capability to investigate allegations of police misconduct.

Evaluating Public Authorities' Responses to Recommendations

To ensure the authority maintains accountability and implements positive change to identified risks, the Commission conducts evaluations into the government authorities' responses to recommendations one year after the initial report.

It is acknowledged that government authorities are responsible for managing their own risks and there may be justifiable reasons why certain recommendations are not implemented or completed. However, where the Commission is not satisfied with a response to the recommendations, it will conduct further reviews and report on the action or inaction by public authorities in managing serious misconduct risks.

During 2022-23, the Commission completed three reviews into recommendations made during previous financial years.

In 2021, the Commission made three recommendations following the review of action taken into serious misconduct allegations by:

1. a department
2. a local government authority
3. the WA Police Force.

The Commission finalised its reviews into each of the three recommendations and concluded that each authority had implemented changes in response to recommendations. A report was provided to the head of each authority and a copy sent to the Public Sector Commission to support their prevention and education function.



RESPONDING TO RISKS WITHIN THE GOVERNMENT SECTOR

As part of its function under CCM Act s 18(4), the Commission undertakes a thorough intelligence assessment process, analysing information from a variety of sources, to better understand and identify serious misconduct trends and emerging risks across the government sector.

This helps identify the settings where serious misconduct has most opportunity to occur. This in turn assists in identifying some government authorities that may be more susceptible to risk by virtue of their functions and the environment in which they operate.

The Commission uses this knowledge to work with government authorities to strengthen integrity frameworks and increase their management of serious misconduct risks.



COVERT POWERS INSPECTIONS

The Commission oversees the operation of the CICP Act pt 2. The CICP Act requires the Commission to inspect records of controlled operations conducted by the WA Police Force, the Fisheries Department and the Australian Crime Commission. From 26 June 2023, the Commission has a similar role in relation to the *Misuse of Drugs Act 1981* to oversee the use of Border Search Area powers.

Controlled law enforcement operations may involve an authorised participant engaging in unlawful conduct. The CICP Act provides the participant with protection from criminal responsibility for that otherwise unlawful conduct, where it has been authorised, and carried out, in accordance with the authority and the CICP Act.

Each of the three law enforcement agencies provides a report to the Commission on its controlled operations conducted during the preceding six months. The Commission prepares annual reports on the work and activities of each agency and provides them to the responsible Minister for tabling in the Parliament of Western Australia.

To fulfil the oversight role, the Commission considers the extent to which each agency has complied with the requirements of the CICP Act Part 2. Any areas of concern are fed back to the agency.

Table 6 shows the controlled operation records inspected by the Commission during 2022-23.

The CICP Act permits an authority to be issued retrospectively. No retrospective authorities were issued to the Australian Crime Commission, the WA Police Force or the Fisheries Department during the reporting period.

Table 6: Controlled operation records inspected by the Commission in 2022-23

Law Enforcement Agency	Controlled Operation Authorities*	Variation to Authorities	Applications Refused
WA Police Force	109	61	2
Fisheries Department	3	1	0
Australian Crime Commission	0	0	0
Total	112	62	2

*A controlled operation may involve more than one authority.

SUPPORTING SERVICE DELIVERY

Using Investigative Powers

The Commission has significant powers that can be used when investigating serious misconduct matters as well as unexplained wealth. The Commission seeks to use the resources available to it in the most efficient manner.

The Commission's powers are subject to strict internal approval processes and, on occasion, external approval processes. Externally approved powers are closely monitored by the Western Australian Ombudsman, the Commonwealth Ombudsman and the Parliamentary Inspector.

Tables 7 and 8 provide an overview of the use of the Commission's statutory powers for this and the previous reporting period.

Table 7: Statutory Powers under the *Corruption, Crime and Misconduct Act 2003*

Statutory Power	2021-22	2022-23
s 94: Notices served by the Commission to produce a statement of information	7	11
s 95: Notices served by the Commission to obtain documents and other things	144	255
s 100 Power to enter and search premises of a public authority or officer	0	1
s 101: Search warrants issued to the Commission	10	20
s 103: Approvals for the acquisition and use of an assumed identity given by the Commission	19	9
s 121: Authorities to conduct controlled operations granted by the Commission	0	0
s 123: Authorities for integrity testing programs granted by the Commission	0	1
s 148: Warrants of apprehension issued by the Commission	0	0

Table 8: Other Statutory Powers

Statutory Power	2021-22	2022-23
Search warrants issued under s 174 of the <i>Criminal Property Confiscation Act 2000</i>	5	10
Warrants and emergency authorisations issued to the Commission under the <i>Surveillance Devices Act 1998</i>	5	0
Warrants issued to the Commission under the <i>Telecommunications (Interception and Access) Act 1979</i> (Cth)	21	13
Authorisations to access telecommunications data under the <i>Telecommunications (Interception and Access) Act 1979</i> (Cth)	101	138

Conducting examinations

Corruption often occurs in secret, and for this reason the Commission has a range of powers it can use to conduct investigations. To obtain information and advance an investigation the Commission has the power under the CCM Act and CPC Act to conduct compulsory examinations of witnesses. The Commission does not make findings regarding guilt or innocence like a court or tribunal. Examinations are generally conducted in private.

In 2022-23 the Commission held examinations for 10 operations in which 31 witnesses were examined over 30 days. These were in the course of both serious misconduct and unexplained wealth investigations.

Working collaboratively with others

The Commission regularly collaborates and shares expertise with the Public Sector Commission, the WA Police Force, government agencies, independent agencies and integrity bodies both within WA and interstate. The Commission works together through such collaboration to build capacity and raise awareness to help build a government sector that actively disrupts, resists and manages corruption.

Providing information to public authorities and agencies

An important part of the Commission's work is sharing information with government authorities and other agencies. The Commission consults, cooperates and exchanges information with agencies to ensure allegations, referrals and information concerning serious misconduct and unexplained wealth are dealt with in an appropriate way. While the Commission cannot take action in matters outside of the Commission's jurisdiction, it may provide information to relevant authorities where appropriate.

The Commission is required to report on information disclosed to independent agencies under the Act. During 2022-23, the Commission made disclosures to agencies including:

- Public Sector Commissioner;
- Auditor General;
- Director of Public Prosecutions; and
- Inspector of Custodial Services.

Such disclosures are made in relation to matters including:

- Those potentially concerning minor misconduct;
- Those potentially related to serious misconduct and unexplained wealth;
- Those that may be of public interest to the authority; and
- Potential confessional and evidentiary material relevant to prosecutions arising from investigations.

Meeting with anti-corruption agencies in other States

The Australian Public Sector Anti-Corruption Conference (APSACC) is Australia's premier corruption prevention forum. APSACC is held biennially and attracts senior leaders from across Australia's anti-corruption agencies and police oversight bodies. The Commission facilitated a joint presentation with the Department of Communities on the investigation known as Operations Taurus. Presentations were also facilitated by Commission officers on how integrity agencies can productively work together. In 2022, the conference was held in Sydney over three days and had over 300 participants attend and watch online. Acting Commissioner Scott Ellis was part of a panel discussion to talk about his experience in building integrity and trust within the government sector. It is important to the Commission that it also maintains regular contact with integrity colleagues interstate. These networks provide a platform to share ideas, information, integrity trends and challenges within the Commission's unique operating environment.

Engaging with WA Public Authorities and the Wider Community

Public Sector Commission (PSC)

Working closely with the PSC, the Commission ensures a joint approach to assess, investigate and expose corruption. The Commissioners of both agencies meet regularly to discuss effective strategies to achieve their agencies' missions. In addition, staff across both agencies within various directorates meet throughout the year to share and exchange information on notifications and to identify opportunities to build capacity.

WA Police Force

The Commissioners of both agencies acknowledge that working together is important to reduce the incidence of serious misconduct of public officers and police misconduct, combat organised crime and disrupt criminal activity through unexplained wealth and criminal benefits confiscation proceedings.

In addition, the Senior Officers Coordination Group meets quarterly to maintain effective working relationships and facilitate early identification, discussion and resolution of strategic and operational issues.

Other public authorities

The Commission engages a large number of diverse government authorities through regular liaison meetings. These meetings cover a range of topics, such as specific serious misconduct matters, notification and oversight processes, highlighting areas of risk, lessons to be learnt and emerging trends. The Commission can offer a range of information on how to combat and reduce serious misconduct.

The Commissioner was invited to give evidence at a public hearing of the Joint Select Committee on the National Anti-Corruption Commission Legislation in October 2022. The public hearing provided an opportunity for the Committee to seek information about the Commission's examination processes and the recently activated protocol with WA Parliament.

Community engagement

The Commission is committed to engaging with the community to raise awareness, build confidence and improve accessibility to the Commission's services so that the state's diverse community can assist to detect and report corruption. The Commission also meets with a variety of community groups to maintain relationships and identify opportunities to work together to reduce the incidence of serious misconduct across the WA government sector.

Sharing Resources and Enhancing Capabilities

Secondments and placements

The Commission engages with various agencies to build specialist skills, knowledge and resources to assist in investigations of serious misconduct and unexplained wealth.

During 2022-23, the Commission facilitated secondments and placements of officers into the Commission from various agencies including the Office of the Auditor General, Legal Aid, Department of Primary Industries and Regional Development, Western Australia Police Force, Teacher Registration Board, Department of the Premier and Cabinet and the Department of Justice.

Additionally, the Commission supported the secondment of officers out of the Commission to the Department of Justice, Department of Finance, Department of Local Government, Sport and Cultural Industries and East Metropolitan Health Service. These arrangements benefit both agencies and the broader government sector, by developing capabilities and skills, fostering greater information sharing and developing cross agency relationships.

Delivering presentations

During 2022-23, the Commission delivered 19 presentations to a variety of groups in the government sector and the community. The Commission customises its approach based on the audience to ensure it maximises its messaging. The Commission presented on various topics such as how to combat corruption and misconduct, notifying obligations for government authorities and the Commission's intent to work collaboratively with agencies across the sector.

Growing the Commission's public profile

The Commission uses a range of mechanisms to build the capacity of the sector and assist authorities. The Commission also uses its media platforms to engage and interact with public officers, community and media via a range of content made available on its communication channels (website, X (formerly Twitter), LinkedIn, YouTube). External communications, social media presence and media coverage encourage the community to speak up and report suspected serious misconduct in the WA government sector. To ensure the Commission is communicating with its stakeholders and target audience effectively, the performance of its communication activities is regularly measured and reviewed for insights into how they can be improved.

International Anti-Corruption Day – 9 December 2022

International Anti-Corruption Day is an opportunity for the Commission to raise awareness and build capacity within the government sector and the community about corruption and serious misconduct in WA, including police misconduct. This year the Commission recognised this occasion with a social media campaign on its platforms.



SIGNIFICANT ISSUES

This section provides a brief description of significant issues impacting the Commission's service delivery.

ALLEGATIONS CONTINUE TO RISE

The Commission must assess every allegation of serious misconduct received (including police misconduct). The Commission previously conducted an external review of the Assessment and Strategy Development (ASD) Directorate that focused on the operating model, organisational structure and business processes. Following this, each stage of the assessment process was value stream mapped to identify any further efficiency opportunities. In response, ASD has implemented a number of key improvements to refine and streamline assessment processes. Despite these changes, the continued level of allegations coupled with persistent resourcing constraints, continues to strain the Commission's resources and impact the time taken to assess allegations; a KPI for the Commission.

UNEXPLAINED WEALTH FUNCTIONS

Additional recurrent funding was approved for the Commission to further develop and continue its unexplained wealth functions, which seek to deter and disrupt crime, particularly organised crime. The Commission uses these powers to investigate and confiscate assets from individuals who have derived unexplained wealth or criminal benefits. The Commission continues to see results in disrupting criminal networks and works closely with government agencies in identifying potential targets.

SUBMISSION TO THE CCM ACT REFORM

In the 2022-2023 period the Commission contributed to two legislative reform projects which remain ongoing. The *Corruption Crime and Misconduct Amendment Bill 2023* was introduced in the Legislative Assembly on 18 May 2023. The purpose of the bill is to reform the process for the appointment of the Commissioner and establish a new position of Deputy Commissioner. In addition, consultation regarding broader reforms to the CCM Act is under way.



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INDEPENDENT AUDITOR'S REPORT



Auditor General

INDEPENDENT AUDITOR'S REPORT

2023

Corruption and Crime Commission

To the Parliament of Western Australia

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the Corruption and Crime Commission (Commission) which comprise:

- the Statement of Financial Position as at 30 June 2023, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are:

- based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Corruption and Crime Commission for the year ended 30 June 2023 and the financial position at the end of that period
- in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Commissioner for the financial statements

The Commissioner is responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions
- such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, the Commissioner is responsible for:

- assessing the entity's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Commission.

Auditor's responsibilities for the audit of the financial statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

Report on the audit of controls

Qualified Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Corruption and Crime Commission. The controls exercised by the Commissioner are those policies and procedures established to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, in all material respects, the controls exercised by the Corruption and Crime Commission are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2023.

Basis for Qualified Opinion

I identified the following weaknesses in controls:

Payroll

The payroll controls designed and implemented by the Corruption and Crime Commission had significant deficiencies. These weaknesses could be used to override management controls and could result in inappropriate changes or fictitious or fraudulent transactions such as overpayments and payments to individuals who are not entitled to receive them. Consequently, controls to prevent invalid or inaccurate salary payments were inadequate throughout the period.

Managing finance system access

There were significant weaknesses in the management of user access to the finance system. These weaknesses could be used to override other controls, and consequently, result in unauthorised access, incorrect or fraudulent transactions (including payments).

The Commissioner's responsibilities

The Commissioner is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities are in accordance with the Financial Management Act 2006, the Treasurer's Instructions and other relevant written law.

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagement ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and were implemented as designed.

An assurance engagement involves performing procedures to obtain evidence about the suitability of the controls design to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including an assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Limitations of controls

Because of the inherent limitations of any internal control structure, it is possible that, even if the controls are suitably designed and implemented as designed, once in operation, the overall control objectives may not be achieved so that fraud, error or non-compliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the audit of the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Corruption and Crime Commission for the year ended 30 June 2023. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Corruption and Crime Commission are relevant and appropriate to assist users to assess the Commission's performance and fairly represent indicated performance for the year ended 30 June 2023.

The Commissioner's responsibilities for the key performance indicators

The Commissioner is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal controls as the Commissioner determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Commissioner is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instructions 904 *Key Performance Indicators*.

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the entity's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments, I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

My independence and quality management relating to the report on financial statements, controls and key performance indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, the Office of the Auditor General maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other information

The Commissioner is responsible for the other information. The other information is the information in the entity's annual report for the year ended 30 June 2023, but not the financial statements, key performance indicators and my auditor's report.

My opinions on the financial statements, controls and key performance indicators do not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, controls and key performance indicators my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and key performance indicators or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

Matters relating to the electronic publication of the audited financial statements and key performance indicators

The auditor's report relates to the financial statements and key performance indicators of the Corruption and Crime Commission for the year ended 30 June 2023 included in the annual report on the Commission's website. The Commission's management is responsible for the integrity of the Commission's website. This audit does not provide assurance on the integrity of the Commission's website. The auditor's report refers only to the financial statements, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version.



Grant Robinson
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
13 October 2023

KEY PERFORMANCE INDICATORS

Certification of Key Performance Indicators

I hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Corruption and Crime Commission's performance, and fairly represent the performance of the Corruption and Crime Commission for the financial year ended 30 June 2023.



John McKechnie KC
COMMISSIONER
12 October 2023

Outcomes, Services and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the Agency's services, the desired outcomes and the relevant Government Goal. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcomes	Services
Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.	The integrity of the Public Sector continuously improves and the incidence of misconduct is reduced.	1. Assessing All Allegations of Serious Misconduct Received 2. Investigating Allegations of Serious Misconduct
	Remove the financial incentive for criminal activity and to reduce harm to the community.	3. Investigating Unexplained Wealth Referrals

SERVICE ONE:

Assessing all allegations of serious misconduct received

The Commission has responsibility for assessing all allegations of serious misconduct within the Western Australian public sector and ensuring they are appropriately dealt with. The purpose of the assessment process is to form an opinion whether there is a reasonable suspicion that a matter may involve serious misconduct and to determine what action (if any) should be taken. The Commission considers a number of factors when assessing serious misconduct allegations, including:

- whether the allegation is within the Commission's jurisdiction;
- the nature and seriousness of the alleged serious misconduct;
- the seniority of the public officer(s) involved;
- whether there is a need for an independent investigation; and
- whether further information is required before an assessment decision can be made.

The Commission may seek further information during the assessment process by consulting with external agencies, individuals and/or other intelligence sources to help inform its assessment decision.

KEY EFFECTIVENESS INDICATOR

Number of Allegations Received

2018-19	2019-20	2020-21	2021-22	2022-23	2022-23
Actual	Actual	Actual	Actual	Target	Actual
5,036	5,743	7,190	7,008	5,000	5,895

Background

The Commission receives notifications and reports of suspected serious misconduct from a number of different sources including members of the public, public authorities, the Police Commissioner and the Public Sector Commission. The heads of public authorities have a statutory obligation to notify the

Commission of serious misconduct allegations. Each notification and report of suspected serious misconduct may contain one or more allegations.

All allegations of police misconduct — including serious misconduct, minor misconduct and reviewable police action relating to sworn officers, unsworn officers, and people seconded to the WA Police Force — are defined as serious misconduct under the *Corruption, Crime and Misconduct Act 2003* (CCM Act).

The Commission can also formulate its own propositions (allegations) about serious misconduct in the public sector. Such propositions may be based on the Commission's own experience and knowledge or from information obtained from other sources.

This key performance indicator reflects the number of serious misconduct allegations identified by the Commission from notifications and reports of serious misconduct and its own propositions.

Analysis

In 2022-23, the number of allegations identified by the Commission was higher than the target by 895 and lower than the prior year by 1,113. However, the decrease in overall number of allegations does not reflect a decrease in the workload or total number of notifications being assessed, with the Commission receiving 3,367 notifications of alleged serious misconduct in 2022-23, an increase of 542 when compared to the 2,825 received in 2021-22.

As mentioned above, multiple allegations of suspected serious misconduct can be identified by the Commission from a single notification received. No two notifications are the same and the number of allegations identified from an individual notification may greatly vary depending on the complexity of the matter being notified.

In addition, the Commission has refined its assessment process to identify broader allegations where appropriate. This assists in better managing voluminous allegations or those considered frivolous, vexatious or not made in good faith.

It is important to recognise that the number of allegations received by the Commission is not a measure of the level of serious misconduct occurring across the public sector.

KEY EFFECTIVENESS INDICATOR

Allegations as a Percentage of People Employed within Public Authorities under the Commission's Jurisdiction

2018-19	2019-20	2020-21	2021-22	2022-23	2022-23
Actual	Actual	Actual	Actual	Target	Actual
2.57%	2.86%	3.55%	3.32%	2.60%	2.69%

Background

This indicator aims to reflect the percentage of alleged serious misconduct occurring across the public sector. The indicator is determined by the number of allegations identified by the Commission divided by the number of public sector employees, as represented by headcount, employed across state and local government. This data is obtained from the Australian Bureau of Statistics (ABS). Delays in the publication of the ABS reporting results in the prior year population statistics being used in the calculation of the current year indicator performance.

Analysis

The 2022-23 percentage is 2.69% which is slightly higher than the target but lower than the 2021-22 actual result. This is largely due to the decrease in allegations identified in this year.

The above percentage is only an indicator. It is based on the Commission's assessment of notifications and reports, and subsequent identification of allegations of suspected serious misconduct. The Commission identifying an allegation of suspected serious misconduct is not a finding that serious misconduct has or may have occurred.

The total number of allegations identified by the Commission does not reflect the number of allegations of serious misconduct sustained by public sector agencies, who are ultimately responsible for taking action (including any disciplinary action).

KEY EFFICIENCY INDICATOR

Percentage of Assessments Completed within 28 Days¹¹

2018-19	2019-20	2020-21	2021-22	2022-23	2022-23
Actual	Actual	Actual	Actual	Target	Actual
54%	81%	75%	46%	80%	53%

Background

This key performance indicator was first reported in 2018-19, following a review by the Commission. It demonstrates the efficiency of the Commission's assessment function by measuring the percentage of assessments completed within 28 calendar days. The duration of an assessment is calculated from the date a notification is received to when a decision is made by the Commission on the action (if any) to be taken.

Sometimes the Commission will receive additional information about the same incident, after an assessment has been completed. Only when the additional information is considered so pertinent that it may impact the Commission's decision, will the Commission re-commence its assessment. The time taken to complete an assessment which has been re-commenced, is included in this performance indicator.

Any time spent considering additional information that does not warrant re-commencement of assessment, is not included in this performance indicator.

The Commission is legislatively required to conduct an assessment of all matters received. Many matters assessed by the Commission have a high level of complexity, which can have an impact on the timeliness of their completion. A number of matters will also require extensive further enquiries and requests for additional information to determine whether the Commission can form a reasonable suspicion of serious misconduct, and what action the Commission will take. This can further impact on timelines.

¹¹ Calculation determined using the number of notifications.

Analysis

The 2022-23 result is lower than the target but slightly higher than the 2021-22 actual result. The factors reported last year continue to impact the time taken to complete an assessment:

- Increase in notifications received by the Commission.
- Internal resourcing issues and the availability of suitable qualified assessors.
- Continued complexity of assessment matters, involving the consideration of information from a variety of sources, such as the review of body worn camera footage.
- Competing priorities within current resources, including the completion of projects and process changes. This has impacted both the availability of assessors, and duration of assessments.

These factors coupled with the consistent number of notifications and reports being received, has an impact on the Commission's timeliness in assessing allegations.

KEY EFFICIENCY INDICATOR

Average Cost of Assessment¹²

2018-19	2019-20	2020-21	2021-22	2022-23	2022-23
Actual	Actual	Actual	Actual	Target	Actual
\$1,028	\$720	\$586	\$576	\$908	\$663

Background

This key performance indicator was first reported in 2018-19, following a review by the Commission.

The average cost of assessment is determined by the allocation of Commission direct and indirect costs divided by the number of allegations identified. The average cost of assessment is significantly impacted by changes to the number of allegations received.

Analysis

The 2022-23 result total \$663 is lower than the target but higher than the 2021-22 actual result. The increase from last year is largely impacted by the decrease in the number of allegations of alleged serious misconduct, identified during the assessment process. It is important to note that the complexity of each notification differs and therefore the number of allegations identified from each notification can vary greatly.

¹² Calculation determined using the number of allegations.

SERVICE TWO:

Investigating Allegations of Serious Misconduct

The Commission investigates matters that are serious and significant and where it believes it can have the most impact in improving the integrity of the public sector. The purpose of an investigation is to expose and disrupt serious misconduct and enable appropriate action to be taken in response.

Serious misconduct investigations have different degrees of complexity, raise different logistical issues and, therefore, will vary in duration. Investigations can involve the use of some or all of the Commission's powers, depending on the type of allegations under investigation. Investigations may also involve conducting private and/or public examinations to obtain information to advance the investigation.

Serious misconduct investigations can be:

- preliminary investigations;
- investigations conducted by the Commission independently; and
- investigations conducted by the Commission in cooperation with a public authority.

The Commission conducts preliminary investigations to obtain enough information to make an informed decision about whether further action should be taken. A preliminary investigation can range from gathering and analysing additional information to conducting interviews and using the powers available to the Commission.

Investigating allegations of serious misconduct in cooperation with public authorities provides a number of benefits such as sharing of information and resources and making the investigation process more efficient. It also allows public authorities to manage their own risks during the investigation process and to take greater ownership of any outcomes.

KEY EFFECTIVENESS INDICATOR

Number of Investigations

2018-19	2019-20	2020-21	2021-22	2022-23	2022-23
Actual	Actual	Actual	Actual	Target	Actual
50	59	58	57	50	58

Background

The Commission conducts investigations:

- in response to serious misconduct allegations reported/notified to it;
- proactively through its own propositions about serious misconduct in the public sector (for example into priority areas of serious misconduct risk); and
- to use its powers and conduct examinations (when needed) during a review of how a public authority has responded to recommendations made by the Commission.

This key performance indicator was first reported in 2018-19, following a review by the Commission. It reflects the total number of serious misconduct investigations that were completed during, or are still active (open), at the end of the reporting period. Serious misconduct investigations may be active over multiple financial years before being completed. Each serious misconduct investigation can contain one or more allegations from this or previous reporting periods.

Analysis

In 2022-23, the number of serious misconduct investigations conducted by the Commission totalled 58, which is higher than the target by 8 investigations and similar to the 2021-22 actual result (57).

Of the 58 investigations conducted in 2022-23, 37 commenced in prior financial years and were counted in the prior year actual result of 57 investigations. There were 21 investigations commenced in the 2022-23 financial year.

KEY EFFECTIVENESS INDICATOR

Number of Reports Published

2018-19	2019-20	2020-21	2021-22	2022-23	2022-23
Actual	Actual	Actual	Actual	Target	Actual
45	43	33	38	40	34

Background

The Commission produces reports (under Part 5 of the CCM Act) detailing the outcome of investigations (conducted by the Commission or a public authority) and other matters. The majority of reports are provided directly to public authorities, but the Commission will report publicly on investigations where there are lessons to be learned by a wider audience.

The purpose of these reports is to educate and apprise the public sector of serious misconduct issues and to inform actions to address misconduct risks. Reports also enable the Parliament of Western Australia and the Western Australian community to know that significant serious misconduct allegations and issues are dealt with appropriately and transparently.

This key performance indicator reflects the total number of reports tabled in the Parliament of Western Australia or provided directly to Directors General, Commissioners and Chief Executive Officers.

Analysis

The 2022-2023 result totalled 34 reports produced, similar to the 2021-22 actual result. In recent years, the reduction in the number of reports produced is due to the more involved nature and increased complexity of investigations completed during the year.

The 2022/23 result it made up of:

- Six reports tabled in the Parliament of Western Australia:
 1. Report on corruption procurement practices and conduct in the Department of Communities – 20 September 2022
 2. CCC Annual Report – 15 February 2023
 3. A death raises questions at Rockingham General Hospital – 14 March 2023
 4. The Commission's oversight function with reference to a specific matter – a report to the JSCCCC – 15 March 2023
 5. Excessive use of force by a police officer – 8 May 2023
 6. Report on oversight of a police investigation into an arrest for disorderly conduct – 25 May 2023.
- 28 reports were provided to Directors General, Commissioners and Chief Executive Officers at the conclusion of a Commission investigation or review of a public authority's investigation into serious misconduct or related to other serious misconduct matters.

The Commission takes decisions about releasing information to the public very seriously and does so only after determining it is in the public interest. For this reason, many reports produced by the Commission are provided directly to the heads of public authorities directly.

KEY EFFICIENCY INDICATOR

Percentage of Investigations Completed within 12 Months

2018-19	2019-20	2020-21	2021-22	2022-23	2022-23
Actual	Actual	Actual	Actual	Target	Actual
79%	84%	67%	62%	80%	66%

Background

It is important that the Commission's investigations into serious misconduct are completed in a timely manner so appropriate action can be taken in response to issues and risks identified.

This key performance indicator was first reported in 2018-19, following a review by the Commission. The aim of this indicator is to demonstrate the efficiency of the Commission's investigative function by measuring the percentage of investigations completed within 12 months.

This indicator aims to measure the timeliness of the investigations function by determining the percentage of investigations completed within one year during the reporting period.

Analysis

There were 29 investigations completed in 2022-23, with 66% of these completed within 12 months. The 2022-23 result (66%) is a marginal improvement compared to the 2021-22 result of 62%. Both years are less than the target of 80%, reflecting the evolving nature and increasing complexity of serious misconduct allegations investigated by the Commission.

Investigation completion times include the time taken to produce reports following the conclusion of investigative actions.

KEY EFFICIENCY INDICATOR

Average Time (Days) to Complete an Investigation into Serious Misconduct

2018-19	2019-20	2020-21	2021-22	2022-23	2022-23
Actual	Actual	Actual	Actual	Target	Actual
309	241	347	395	350	426

Background

This key performance indicator was first reported in 2018-19, following a review by the Commission. The aim of this indicator is to demonstrate the efficiency of the Commission's investigative function by measuring the average time (in days) to complete an investigation.

This indicator is based on serious misconduct investigations completed during the reporting period. The duration of an investigation is recorded as the time (in days) taken from when it is authorised to when either a report is published on its outcome, or a decision is made by the delegated authority to close the investigation.

With each investigation being different, it can bring a different degree of complexity and logistical issues which can vary the duration of the investigation.

Analysis

The 2022-23 result of 426 days is more than the target of 350 days and more than the 2021-22 result (395 days). This is due to the evolving nature and increased complexity of investigations into serious misconduct.

FINANCIAL STATEMENTS

Certification of financial statements For the reporting period ended 30 June 2023

The accompanying financial statements of the Corruption and Crime Commission have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2023 and the financial position as at 30 June 2023.

At the date of signing we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.



John McKechnie KC
COMMISSIONER
12 October 2023



Mathew Squires
CHIEF FINANCE OFFICER
12 October 2023

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2023

		2023	2022
	Notes	\$000	\$000
COST OF SERVICES			
Expenses			
Employee benefits expense	2.1.1	19,547	17,074
Supplies and services	2.2	4,747	5,344
Depreciation and amortisation expense	4.1, 4.2, 4.3	1,394	1,247
Finance costs	6.2	14	9
Accommodation expenses	2.2	2,476	2,357
Other expenses	2.2	739	810
Total cost of services		28,917	26,841
Income			
Revenue			
Other revenue	3.2	101	178
Total revenue		101	178
NET COST OF SERVICES		28,816	26,663
Income from State Government			
Service appropriation	3.1	31,096	27,854
Services received free of charge	3.1	23	289
Total income from State Government		31,119	28,143
SURPLUS FOR THE PERIOD		2,303	1,480
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		2,303	1,480

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

		2023	2022
	Notes	\$000	\$000
ASSETS			
Current assets			
Cash and cash equivalents	6.3	13,656	10,660
Receivables	5.1	322	321
Amounts receivable for services	5.2	1,300	1,300
Other current assets	5.3	1,087	989
Total current assets		16,365	13,270
Non-current assets			
Restricted cash and cash equivalents	6.3	534	395
Receivables	5.1	150	146
Amounts receivable for services	5.2	16,088	16,009
Plant and equipment	4.1	2,792	2,592
Intangible assets	4.2	776	460
Right-of-use assets	4.3	445	405
Total non-current assets		20,785	20,007
TOTAL ASSETS		37,150	33,277

		2023	2022
	Notes	\$000	\$000
LIABILITIES			
Current liabilities			
Payables	5.4	1,370	743
Lease liabilities	6.1	224	207
Employee related provisions	2.1.2	3,749	3,790
Total current liabilities		5,343	4,740
Non-current liabilities			
Lease liabilities	6.1	261	226
Employee related provisions	2.1.2	929	729
Total non-current liabilities		1,190	955
TOTAL LIABILITIES		6,533	5,695
NET ASSETS		30,617	27,582
EQUITY			
Contributed equity		13,660	12,928
Accumulated surplus		16,957	14,654
TOTAL EQUITY		30,617	27,582

The Statement of Financial Position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2023

	Contributed equity	Accumulated surplus/(deficit)	Total equity
Notes	\$000	\$000	\$000
Balance at 1 July 2021	12,709	13,174	25,883
Surplus/(deficit)	-	1,480	1,480
Total comprehensive income for the period	-	1,480	1,480
Transactions with owners in their capacity as owners:			
Capital appropriations	219	-	219
Total	219	-	219
Balance at 30 June 2022	12,928	14,654	27,582
Balance at 1 July 2022	12,928	14,654	27,582
Surplus/(deficit)	-	2,303	2,303
Total comprehensive income for the period	-	2,303	2,303
Transactions with owners in their capacity as owners:			
Capital appropriations	732	-	732
Total	732	-	732
Balance at 30 June 2023	13,660	16,957	30,617

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS

For the year ended 30 June 2023

	2023	2022
Notes	\$000	\$000
CASH FLOWS FROM STATE GOVERNMENT		
Service appropriation	29,717	26,088
Capital appropriation	732	219
Holding account drawdown	1,300	1,300
Net cash provided by State Government	31,749	27,607
Utilised as follows:		
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments		
Employees benefits	(19,328)	(17,123)
Supplies and services	(4,251)	(4,693)
Finance costs	(14)	(9)
Accommodation	(2,476)	(2,357)
GST payments on purchases	(956)	(969)
Other payments	(729)	(817)
Receipts		
GST receipts from services	12	13
GST receipts from taxation authority	949	899
Other receipts	90	202
Net cash used in operating activities	(26,703)	(24,854)

	2023	2022
Notes	\$000	\$000
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments		
Purchase of non-current physical assets	(1,660)	(1,225)
Net cash used in investing activities	(1,660)	(1,225)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments		
Principal elements of lease payments	(251)	(226)
Net cash used in financing activities	(251)	(226)
Net increase/ (decrease) in cash and cash equivalents	3,135	1,302
Cash and cash equivalents at the beginning of the period	11,055	9,753
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	14,190	11,055

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

1 Basis of preparation

The Commission is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The Commission is a not-for-profit entity (as profit is not its principal objective).

A description of the nature of its operations and its principal activities have been included in the 'Overview' which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Accountable Authority of the Commission on 12 October 2023.

Statement of compliance

These general purpose financial statements have been prepared in accordance with:

- The *Financial Management Act 2006* (FMA)
- The Treasurer's Instructions (TIs)
- Australian Accounting Standards (AAS) Simplified Disclosure
- Where appropriate, those AAS paragraphs applicable for notforprofit entities have been applied.

The *Financial Management Act 2006* and the Instructions take precedence over AAS. Several AAS are modified by the Instructions to vary application, disclosure format and wording. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note.

All values are rounded to the nearest thousand dollars (\$'000).

Judgements and estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

Accounting for Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

- (a) amount of GST incurred by the Agency as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense; and

- (b) receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of cash flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Contributed equity

The AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated as contributions by owners (at the time of, or prior, to transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 *Contributions by Owners made to Wholly Owned Public Sector Entities* and have been credited directly to Contributed Equity.

Comparative information

Except when an AAS permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements. AASB 1060 provides relief from presenting comparatives for:

- Property, Plant and Equipment reconciliations;
- Intangible Asset reconciliations; and
- Right of Use Asset reconciliations.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 Use of our funding

2.1 Expenses incurred in the delivery of services

This section provides additional information about how the Commission's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the Commission in achieving its objectives and the relevant notes are:

	Notes
Employee benefits expenses	2.1.1
Employee related provisions	2.1.2
Other expenses	2.2

2.1.1 Employee benefits expenses

	2023	2022
	\$000	\$000
Employee benefits	17,675	15,518
Superannuation – defined contribution plans	1,872	1,556
Employee benefits expenses	19,547	17,074
Add: AASB 16 Non-monetary benefits	109	25
Less: Employee Contributions	(10)	(7)
Net employee benefits	19,646	17,092

Employee benefits: Includes wages, salaries and social contributions, accrued and paid leave entitlements and paid sick leave, and non-monetary benefits recognised under accounting standards other than AASB 16 (such as medical care, housing, cars and free or subsidised goods or services) for employees.

Superannuation: The amount recognised in profit or loss of the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the West State Super (WSS), the Government Employees Superannuation Board (GESB), or other superannuation funds.

AASB 16 Non-monetary benefits: Non-monetary employee benefits, predominantly relating to the provision of vehicle benefits that are recognised under AASB 16 and are excluded from the employee benefits expense.

Employee Contributions: are contributions made to the Commission by employees towards employee benefits that have been provided by the Commission. This includes both AASB-16 and non-AASB 16 employee contributions.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2.1.2 Employee related provisions

Provision is made for benefits accruing to employees in respect of annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

	2023	2022
	\$000	\$000
Current		
Employee benefits provisions		
Annual leave	1,359	1,341
Long service leave	2,314	1,946
Personal leave	-	431
Deferred salary scheme	41	36
	3,714	3,754
Other provisions		
Employment on-costs	35	36
	35	36
Total current employee related provisions	3,749	3,790
Non-current		
Employee benefits provisions		
Long service leave	920	721
	920	721
Other provisions		
Employment on-costs	9	8
	9	8
Total non-current employee related provisions	929	729
Total employee related provisions	4,678	4,519

Annual leave liabilities: Classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. The provision for annual leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.

Long service leave liabilities: Unconditional long service leave provisions are classified as **current** liabilities as the Commission does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Pre-conditional and conditional long service leave provisions are classified as **non-current** liabilities because the Commission has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

The provision for long service leave is calculated at present value as the Commission does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement, discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Personal leave: Derecognition of accumulated non-vesting personal leave balances as at 30 June 2023 as it not expected that any material amount of personal leave entitlement will be drawn upon in excess of the current year entitlement. Also, staff are not eligible for cash payment of unused personal leave balance on termination.

Deferred salary scheme liabilities: Classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

Employment on-costs: The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses, Note 2.2 and are not included as part of the Commission's 'employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

	2023	2022
	\$000	\$000
Employment on-cost provision		
Carrying amount at start of period	44	39
Additional provisions recognised	2	55
Payments/other sacrifices of economic benefits	(2)	(50)
Carrying amount at end of period	44	44

Key sources of estimation uncertainty – long service leave

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Several estimates and assumptions are used in calculating the Commission's long service leave provision. These include:

- Expected future salary rates
- Discount rates
- Employee retention rates; and
- Expected future payments

Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.

2.2 Other expenses

	2023	2022
	\$000	\$000
Supplies and services		
Communications	239	310
Consultants and contractors	3,612	3,531
Resources received free of charge	-	152
Motor vehicle expenses	125	81
Legal expenses	149	441
Publications and printing	5	1
Consumables	226	229
Minor plant and equipment	352	545
Travel	39	54
Total supplies and services expenses	4,747	5,344
Accommodation expenses		
Office rental	1,627	1,579
Other accommodation expenses	849	778
Total accommodation expenses	2,476	2,357
Other expenditures		
Equipment repairs and maintenance	29	65
Employment on-costs	488	607
Audit fees	205	132
Other expenses	17	6
Total other expenditures	739	810
Total other expenses	7,962	8,511

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Supplies and services are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any materials held for distribution are expensed when the materials are distributed.

Resources received free of charge includes the recognition of employees engaged at the Commission from other state government agencies to assist with Commission investigations.

Office rental is expensed as incurred as Memorandum of Understanding Agreements between the Agency and the Department of Finance for the leasing of office accommodation contain significant substitution rights.

Repairs, maintenance and cleaning costs are recognised as expenses as incurred.

Other operating expenses generally represent the other day-to-day running costs incurred in normal operations.

Equipment Repairs and maintenance costs are recognised as expenses as incurred, except where they relate to the replacement of a significant component of an asset. In that case, the costs are capitalised and depreciated.

Employee on-cost includes workers' compensation insurance and other employment on-costs. The on costs liability associated with the recognition of annual and long service leave liabilities is included at Note 2.1.2 Employee benefit provision. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

3 Our funding sources

How we obtain our funding

This section provides additional information about how the Commission obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the Commission and the relevant notes are:

	Notes
Income from State Government	3.1
Other revenue	3.2

3.1 Income from State Government

	2023 \$000	2022 \$000
Appropriation received during the period:		
Service appropriation	31,096	27,854
Total service appropriations received	31,096	27,854
Services received free of charge from other State government agencies during the period:		
Building Management and Works	13	11
State Solicitors Office	10	126
Placements	-	152
Total services received	23	289
Total income from State Government	31,119	28,143

Service Appropriations: are recognised as income at fair value of consideration received in the period in which the Commission gains control of the appropriated funds. The Commission gains control of appropriated funds at the time those funds are deposited in the bank account or credited to the holding account held at Treasury.

Services received free of charge from other State government agencies: are recognised as income equivalent to the fair value of the assets received, or the fair value of those services received that can be reliably determined and which would have been purchased if not donated.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Summary of consolidated account appropriations

For the year ended 30 June 2023

	2023				
	Budget estimate	Supplementary funding	Revised budget	Actual	Variance
	\$000	\$000	\$000	\$000	\$000
Delivery of services					
Item 69 Net amount appropriated to deliver services	30,190	350	30,540	30,540	-
Amount Authorised by Other Statutes					
- <i>Corruption, Crime and Misconduct Act 2003</i>	504	52	556	556	-
Total appropriations provided to deliver services	30,694	402	31,096	31,096	-
Capital					
Item 137 Capital appropriations	695	37	732	732	-
Total consolidated account appropriations	31,389	439	31,828	31,828	-

3.2 Other revenue

	2023	2022
	\$000	\$000
Other revenue	106	198
Contributions to government vehicle scheme	10	7
	116	205
Carrying amount of non-current assets disposed		
Computer equipment	(7)	(27)
Right-of-use assets	(8)	-
Net gains/(losses) on disposal of non-current assets	(15)	(27)
Total other revenue	101	178

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Key assets

Assets the Commission utilises for economic benefit or service potential

This section includes information regarding the key assets the Commission utilises to gain economic benefits or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets:

	Notes
Plant and equipment	4.1
Intangibles	4.2
Right-of-use assets	4.3

4.1 Plant and equipment

	Office equipment	Computer equipment	Operations equipment vehicles	Leasehold improvements	Works in progress	Total
	\$000	\$000	\$000	\$000	\$000	\$000
1 July 2022						
Gross carrying amount	572	6,789	2,819	1,637	165	11,982
Accumulated depreciation	(197)	(6,013)	(2,678)	(502)	-	(9,390)
Carrying amount at start of period	375	776	141	1,135	165	2,592
Additions	125	571	203	-	332	1,231
Transfers	-	-	-	332	(497)	(165)
Disposals	-	(7)	-	-	-	(7)
Depreciation	(179)	(394)	(106)	(181)	-	(860)
Carrying amount at 30 June 2023	321	946	238	1,286	-	2,792
Gross carrying amount	649	7,185	2,988	1,969	-	12,791
Accumulated depreciation	(328)	(6,239)	(2,749)	(683)	-	(9,999)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Initial recognition

Items of plant and equipment, costing \$5,000 or more are measured initially at cost. Where an asset is acquired for no or nominal cost, the cost is valued at its fair value at the date of acquisition. Items of plant and equipment costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the leasehold improvement.

Subsequent measurement

Plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Useful lives

All plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits. The exception to this rule is assets held for sale.

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Leasehold Improvements	10 - 15 years or remaining period of lease
Computer Equipment	3 - 5 years
Operations Equipment	3 - 5 years
Office Equipment	3 - 5 years
Motor Vehicles	5 years
Software ^(a)	2 - 5 years

(a) Software that is integral to the operation of related hardware.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments should be made where appropriate.

Impairment

Non-financial assets, including items of plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognized.

Where an asset measured at cost is written down to its recoverable amount, an impairment loss is recognised through profit or loss. If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

4.2 Intangible assets

	Computer software	Works in progress	Total
Year ended 30 June 2023	\$000	\$000	\$000
1 July 2022			
Gross carrying amount	2,315	-	2,315
Accumulated amortisation	(1,855)	-	(1,855)
Carrying amount at start of period	460	-	460
Additions	242	187	429
Transfers	207	(41)	165
Amortisation expense	(278)	-	(278)
Carrying amount at end of period	630	146	776

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Initial recognition

Intangible assets are initially recognised at cost. For assets acquired at significantly less than fair value, the cost is their fair value at the date of acquisition.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (b) an intention to complete the intangible asset, and use or sell it;
- (c) the ability to use or sell the intangible asset;
- (d) the intangible asset will generate probable future economic benefit;
- (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (f) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets at a minimum of \$5,000 that comply with the recognition criteria as per AASB 138.57 (as noted above) are capitalised.

Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income. Costs incurred in the research phase of a project are immediately expensed.

Subsequent measurement

The cost model is applied for subsequent measurement of intangible assets, requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Useful lives

Amortisation of finite life intangible assets is calculated on a straight-line basis at rates that allocate the asset's value over its estimated useful life. All intangible assets controlled by the Commission have a finite useful life and zero residual value. Estimated useful lives are reviewed annually.

The estimated useful lives for each class of intangible asset are:

Software ^(a)	2 - 5 years
Website costs	3 - 5 years

(a) Software that is not integral to the operation of related hardware.

Impairment of intangible assets

Intangible assets with finite useful lives are tested for impairment annually or when an indication of impairment is identified. As at 30 June 2023 there were no indications of impairment to intangible assets.

The policy in connection with testing for impairment is outlined in note 4.1.

Computer Software

Software that is an integral part of the related hardware is recognised as part of the tangible asset. Software that is not an integral part of the related hardware is recognised as an intangible asset. Software costing less than \$5,000 is expensed in the year of acquisition.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4.3 Right-of-use assets

	Accommodation	Motor vehicles	Total
	\$000	\$000	\$000
1 July 2022			
Gross carrying amount	473	376	849
Accumulated depreciation	(197)	(247)	(444)
Carrying amount at beginning of period	276	129	405
Additions	-	307	307
Disposals	-	(11)	(11)
Depreciation	(158)	(98)	(256)
Net Carrying amount at 30 June 2023	118	327	445

The Commission has leases for vehicles and office accommodation. The lease contracts are typically made for fixed periods of 1-10 years with an option to renew the lease after that date. Lease payments for buildings not leased through the Department of Finance are renegotiated every five years to reflect market rentals.

The Commission has also entered into a Memorandum of Understanding Agreements with the Department of Finance for the leasing of office accommodation. These are not recognised under AASB 16 because of substitution rights held by the Department of Finance and are accounted for as an expense as incurred.

Initial recognition

At the commencement date of the lease, the Commission recognises right-of-use assets and a corresponding lease liability for most leases. The right-of-use assets are measured at cost comprising of:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs, including dismantling and removing the underlying asset.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in note 6.1.

The Commission has elected not to recognise right-of-use assets and lease liabilities for short-term leases (with a lease term of 12 months or less) and low value leases (with an underlying value of \$5,000 or less). Lease payments associated with these leases are expensed over straight-line basis over the lease term.

Subsequent measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

Depreciation and impairment of right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to the Agency at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in note 4.1.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 Other assets and liabilities

This section sets out those assets and liabilities that arose from the Commission's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Notes
Receivables	5.1
Amounts receivable for services (Holding Account)	5.2
Other assets	5.3
Payables	5.4

5.1 Receivables

	2023	2022
	\$000	\$000
Current		
Trade receivables	119	111
Goods and Services Tax (GST) receivable	203	210
Total current	322	321
Non-Current		
Security Deposit	150	146
Total non-current	150	146
Total receivables	472	467

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

5.2 Amounts receivable for services (Holding Account)

	2023	2022
	\$000	\$000
Current	1,300	1,300
Non-current	16,088	16,009
Balance at end of period	17,388	17,309

Amounts receivable for services: Amounts receivable for services represent the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

Amounts receivable for services are considered financial assets at amortised cost, and are not considered impaired. (i.e. there is no expected credit loss of the Holding Account).

5.3 Other assets

	2023	2022
	\$000	\$000
Current		
Prepayments	1,087	989
Total current	1,087	989

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5.4 Payables

	2023	2022
	\$000	\$000
Current		
Trade payables	856	313
Accrued salaries	397	337
Accrued expenses	117	93
Total payables at end of period	1,370	743

Payables are recognised at the amounts payable when the Commission becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 30 days.

Accrued salaries represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight of the reporting period end. The Commission considers the carrying amount of accrued salaries to be equivalent to its fair value.

6 Financing

This section sets out the material balances and disclosures associated with the financing and cash flows of the Commission:

	Notes
Lease liabilities	6.1
Finance costs	6.2
Cash and cash equivalents	6.3
Capital Commitments	6.4

6.1 Lease liabilities

	2023	2022
	\$000	\$000
Not later than one year	224	207
Later than one year and not later than five years	235	223
Later than five years	26	3
	485	433
Current	224	207
Non-current	261	226
Balance at end of period	485	433

At the commencement date of the lease, the Commission recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Agency uses the incremental borrowing rate provided by Western Australia Treasury Corporation.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Lease payments included by the Commission as part of the present value calculation of lease liability include:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options (where these are reasonably certain to be exercised);
- Payments for penalties for terminating a lease, where the lease term reflects the agency exercising an option to terminate the lease.
- Periods covered by extension or termination options are only included in the lease term by the Agency if the lease is reasonably certain to be extended (or not terminated).

The interest on the lease liability is recognised in the Statement of Comprehensive Income over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Variable lease payments, not included in the measurement of lease liability, that are dependent on sales an index or a rate are recognised by the Commission in profit or loss in the period in which the condition that triggers those payment occurs.

Subsequent Measurement

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modifications.

This section should be read in conjunction with note 4.3.

6.2 Finance costs

	2023	2022
	\$000	\$000
Lease interest expense	14	9
Finance costs expensed	14	9

'Finance cost' includes the interest component of lease liability repayments.

6.3 Cash and cash equivalents

	2023	2022
	\$000	\$000
Cash and cash equivalents	13,656	10,660
Restricted cash and cash equivalents	534	395
Balance at end of period	14,190	11,055

Restricted cash and cash equivalents	2023	2022
	\$000	\$000
Non-current		
Accrued salaries suspense account ^(a)	534	395

(a) Funds held in the suspense account for the purpose of meeting the 27th pay in a reporting period that occurs every 11th year. This account is classified as non-current for 10 out of 11 years.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the purpose of the statement of cash flows, cash and cash equivalent assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

The accrued salaries suspense account consists of amounts paid annually, from Commission appropriations for salaries expense, into a Treasury suspense account to meet the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26. No interest is received on this account.

6.4 Capital commitments

Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:

	2023	2022
	\$000	\$000
Within 1 year	283	137
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	283	137

7 Financial instruments and contingencies

This note sets out the key risk management policies and measurement techniques of the Commission:

	Notes
Financial instruments	7.1
Contingent assets and liabilities	7.2

7.1 Financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2023	2022
	\$000	\$000
Financial assets		
Cash and cash equivalents	13,656	10,660
Restricted cash and cash equivalents	534	395
Financial assets at amortised cost	17,657	17,566
Total financial assets	31,847	28,621
Financial liabilities		
Financial liabilities measured at amortised cost	1,370	743
Total financial liabilities	1,370	743

The amount of financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivable).

The amount of financial liabilities at amortised cost excludes GST payable to the ATO (statutory payable).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the statement of financial position but are disclosed and, if quantifiable, are measured at the best estimate.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

7.2.1 Contingent assets

The following contingent assets are excluded from the assets included in the financial statements:

Insurance claim

An insurance claim has been lodged for \$319,000 in relation to water damage to Commission's IT equipment.

7.2.2 Contingent liabilities

The following contingent liabilities are excluded from the assets included in the financial statements:

Litigation in progress

The Commission estimates that \$30,000 is maximum amount potentially payable for the claims on hand relating to ongoing Unexplained Wealth matters.

8 Other disclosures

This section includes additional material disclosures required by accounting standards or other pronouncements, for the understanding of this financial report.

	Notes
Events occurring after the end of the reporting period	8.1
Key management personnel	8.2
Related party transactions	8.3
Affiliated bodies	8.4
Related bodies	8.5
Remuneration of auditors	8.6
Supplementary financial information	8.7

8.1 Events occurring after the end of the reporting period

There have been no material events occurring after 30 June 2023.

8.2 Key management personnel

The Commission has determined that key management personnel include cabinet ministers and senior officers of the Commission. The Commission does not incur expenditures to compensate Ministers and those disclosures may be found in the *Annual Report on State Finances*.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

The total fees, salaries, superannuation, non-monetary benefits and other benefits for the Commissioner, Acting Commissioner and senior officers of the Commission for the reporting period are presented within the following bands:

Compensation of members of the accountable authority	2023	2022
\$		
530,001 – 540,000	1	-
520,001 – 530,000	-	1
90,001 – 100,000	-	1
70,001 – 80,000	1	-

Compensation of senior officers	2023	2022
\$		
400,001 – 450,000	-	1
300,001 – 350,000	2	2
250,001 – 300,000	1	1
200,001 – 250,000	2	-
150,001 – 200,000	1	2
50,001 – 100,000	1	1
10,001 – 50,000	-	1

	2023	2022
	\$000	\$000
Short-term employee benefits	1,983	2,188
Post-employment benefits	127	175
Other long-term benefits	119	45
Total compensation of senior officers	2,228	2,408

Compensation of senior officers

Total compensation includes the superannuation expense incurred by the Commission in respect of members of senior officers and the accountable authority. In the Commission, members of the accountable authority are the Commissioner and Acting Commissioners as appointed under the *Corruption, Crime and Misconduct Act 2003*.

8.3 Related party transactions

The Commission is a wholly owned public sector entity that is controlled by the State of Western Australia.

Related parties of the Commission include:

- all cabinet ministers and their close family members, and their controlled or jointly controlled entities;
- all senior officers and their close family members, and their controlled or jointly controlled entities;
- other agencies and statutory authorities, including related bodies that are included in the whole of government consolidated financial statements (i.e. wholly-owned public sector entities);
- associates and joint ventures of a wholly owned public sector entity; and
- the Government Employees Superannuation Board (GESB).

Material transactions with related parties

Outside of normal citizen type transactions with the Commission, there were no related party transactions that involved key management personnel and their close family members and/or their controlled (or jointly controlled) entities.

8.4 Affiliated bodies

The Commission had no affiliated bodies during the financial year.

8.5 Related bodies

The Commission had no related bodies during the financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8.6 Remuneration of auditors

Remuneration payable to the Auditor General in respect to the audit for the current financial year is as follows:

	2023	2022
	\$000	\$000
Auditing the accounts, financial statements, controls and key performance indicators	130	130

8.7 Supplementary financial information

	2023	2022
	\$000	\$000
Write-offs		
During the financial year, \$301,340 (2022: \$27,563) was written off under the authority of:		
The accountable authority	-	28
The Treasurer	301	-
	301	28
Losses through theft, defaults and other causes		
Losses of public moneys and, public and other property through theft or default	2	-
Amounts recovered	-	-
	2	-
Gifts of public property		
Gifts of public property provided by the Commission	-	-
	-	-

9 Explanatory statement

This section explains variations in the financial performance of the Commission.

	Notes
Explanatory statement for controlled operations	9.1

9.1 Explanatory statement for controlled operations

This explanatory section explains variations in the financial performance of the Commission undertaking transactions under its own control, as represented by the primary financial statements.

All variances between annual estimates (original budget) and actual results for 2023, and between the actual results for 2023 and 2022 are shown below. Narratives are provided for key major variances which vary more than 10% from their comparative and that the variation is more than 1% of the:

- Total Cost of Services (for the previous year, or current year estimate) for the Statements of comprehensive income and Statement of cash flows (i.e. 1% of \$31,451,000); and
- Total Assets (for the previous year, or current year estimate) for the Statement of financial position (i.e. 1% of \$31,876,000).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9.1.1 Statement of comprehensive income variances

	Variance note	Estimate 2023 \$000	Actual 2023 \$000	Actual 2022 \$000	Variance between actual and estimate \$000	Variance between actual results for 2023 and 2022 \$000
EXPENSES						
Employee benefits expense	A	21,150	19,547	17,074	(1,603)	2,473
Supplies and services	B	5,160	4,747	5,344	(413)	(597)
Depreciation and amortisation expense	1	1,764	1,394	1,247	(370)	147
Finance costs		13	14	9	1	5
Accommodation expenses		2,565	2,476	2,357	(89)	119
Other expenses		799	739	810	(60)	(71)
Total cost of services		31,451	28,917	26,841	(2,534)	2,076

Major estimate and actual (2023) variance narratives:

1. Depreciation and amortisation expense decreased by \$0.4 million (21%) due to delayed capital expenditure on software assets resulting in capitalisation being deferred into 2023-24. Furthermore, the Commission has continued with its migration of information systems into cloud environments which has lessened the reliance on computer hardware infrastructure.

Major actual (2023) and comparative (2022) variance narratives:

- A. Employee benefits expense increased by \$2.5 million (15%) due to additional employment of employees supporting the unexplained wealth functions together with Public Sector Wages Policy wage increases and cost of living payments being made to employees.
- B. Supplies and services decreased by \$0.6 million (11%) due to delays in the implementation of additional information technology systems to support corporate service functions.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9.1.1 Statement of comprehensive income variances (continued)

	Variance note	Estimate 2023 \$000	Actual 2023 \$000	Actual 2022 \$000	Variance between actual and estimate \$000	Variance between actual results for 2023 and 2022 \$000
INCOME						
Revenue						
Other revenue		40	101	178	61	(77)
Total revenue		40	101	178	61	(77)
NET COST OF SERVICES		31,411	28,816	26,663	(2,595)	2,153
Income from State Government						
Service appropriation	C	30,694	31,096	27,854	402	3,242
Services received free of charge	2	475	23	289	(452)	(266)
Total income from State Government		31,169	31,119	28,143	(50)	2,976
SURPLUS/(DEFICIT) FOR THE PERIOD		(242)	2,303	1,480	2,545	823
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(242)	2,303	1,480	2,545	823

Major estimate and actual (2023) variance narratives:

2. Services received free of charge decreased by \$0.5 million (95%) due to the cessation of interagency placements into the Commission and reduced legal services provided by the State Solicitors Office.

Major actual (2023) and comparative (2022) variance narratives:

C. Service appropriation increased by \$3.2 million (12%) due to additional funding received for additional employees supporting the unexplained wealth functions together with Public Sector Wages Policy.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9.1.2 Statement of financial position variances

	Variance note	Estimate 2023 \$000	Actual 2023 \$000	Actual 2022 \$000	Variance between actual and estimate \$000	Variance between actual results for 2023 and 2022 \$000
ASSETS						
Current assets						
Cash and cash equivalents	3, D	8,941	13,656	10,660	4,715	2,996
Receivables		248	322	321	74	1
Amounts receivable for services		1,300	1,300	1,300	-	-
Other current assets		1,080	1,087	989	7	98
Total current assets		11,569	16,365	13,270	4,796	3,095
Non-current assets						
Restricted cash and cash equivalents		456	534	395	78	139
Receivables		146	150	146	4	4
Amounts receivable for services		16,473	16,088	16,009	(385)	79
Property, plant and equipment	4, E	2,431	2,792	2,592	361	200
Intangible assets		436	776	460	340	316
Right-of-use assets		365	445	405	80	40
Total non-current assets		20,307	20,785	20,007	478	778
TOTAL ASSETS		31,876	37,150	33,277	5,274	3,873

Major estimate and actual (2023) variance narratives:

3. Cash and cash equivalents increased by \$4.7 million (53%) due to the lower than budget employee benefit expenses resulting in an operating surplus during the prior and current year reporting periods.
4. Property, plant and equipment increased by \$0.4 million (15%) due to additional leasehold improvements delivered to support the Commission unexplained wealth functions.

Major actual (2023) and Comparative (2022) variance narratives:

- D. Cash and cash equivalents increased by \$3 million (28%) due to the lower than funded employee benefit expenses resulting in an operating surplus during the prior and current year reporting periods. Employee costs underspend was due to vacancies across the Commission.
- E. Property, plant and equipment increased by \$0.2 million (8%) due to additional leasehold improvements delivered to support the unexplained wealth functions.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9.1.2 Statement of financial position variances (continued)

	Variance note	Estimate 2023 \$000	Actual 2023 \$000	Actual 2022 \$000	Variance between actual and estimate \$000	Variance between actual results for 2023 and 2022 \$000
LIABILITIES						
Current liabilities						
Payables	5, F	573	1,370	743	797	627
Lease liabilities		226	224	207	(2)	17
Provisions	6	3,264	3,749	3,790	485	(41)
Total current liabilities		4,063	5,343	4,740	1,280	603
Non-current liabilities						
Lease liabilities		175	261	226	86	35
Provisions	7	1,325	929	729	(396)	200
Total non-current liabilities		1,500	1,190	955	(310)	235
TOTAL LIABILITIES		5,563	6,533	5,695	970	838
NET ASSETS		26,313	30,617	27,582	4,304	3,035
EQUITY						
Contributed equity		13,623	13,660	12,928	37	732
Accumulated surplus/(deficit)	8, G	12,690	16,957	14,654	4,267	2,303
TOTAL EQUITY		26,313	30,617	27,582	4,304	3,035

Major estimate and actual (2023) variance narratives:

5. Payables increased by \$0.8 million (139%) due to the delay in receipt of supplier invoices for payment.
6. Current provisions increased by \$0.5 million (15%) due to higher employee benefits provisions reflecting the Public Sector Wages Policy wage increases.
7. Non-current provisions decreased by \$0.4 million (30%) due to changing composition of employee benefits leave provisions with decreasing conditional long service leave that is not expected to be taken (or unable to be taken) by employees within the next twelve months.
8. Accumulated surplus/(deficit) increased by \$4.3 million (34%) due to the lower than budget employee benefit expenses resulting in an operating surplus during the reporting period.

Major actual (2023) and Comparative (2022) variance narratives:

- F. Payables increased by \$0.6 million (84%) due to the delay in receipt of supplier invoices for payment.
- G. Accumulated surplus/(deficit) increased by \$2.3 million (16%) due to the lower than funded employee benefit expenses resulting in an operating surplus during the reporting period.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9.1.3 Statement of cash flows variances

	Variance note	Estimate 2023	Actual 2023	Actual 2022	Variance between actual and estimate	Variance between actual results for 2023 and 2022
		\$000	\$000	\$000	\$000	\$000
CASH FLOWS FROM STATE GOVERNMENT						
Service appropriation	H	28,930	29,717	26,088	787	3,629
Capital appropriation	I	695	732	219	37	513
Holding account drawdown		1,300	1,300	1,300	-	-
Net cash provided by State Government		30,925	31,749	27,607	824	4,142
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employees benefits	J	(21,090)	(19,328)	(17,123)	1,762	(2,205)
Supplies and services	9	(4,752)	(4,251)	(4,693)	501	442
Finance costs		(12)	(14)	(9)	(2)	(5)
Accommodation		(2,565)	(2,476)	(2,357)	89	(119)
GST payments on purchases		(1,232)	(956)	(969)	276	13
Other payments		(732)	(729)	(817)	3	88
Receipts						
GST receipts on sales		4	12	13	8	(1)
GST receipts from taxation authority		1,232	949	899	(283)	50
Other receipts		40	90	202	50	(112)
Net cash used in operating activities		(29,107)	(26,703)	(24,854)	2,404	(1,849)

Major estimate and actual (2023) variance narratives:

9. Supplies and services decreased by \$0.5 million (11%) due to delays in the implementation of additional information technology systems to support corporate service functions.

Major actual (2023) and Comparative (2022) variance narratives:

H. Service appropriation increased by \$3.6 million (14%) due to additional funding received for additional employees supporting the unexplained wealth functions together with Public Sector Wages Policy.

I. Capital appropriation increased by \$0.5 million (234%) due to additional leasehold improvements funded to support the unexplained wealth functions.

J. Employees benefits increased by \$2.2 million (13%) due to additional employment of employees supporting the unexplained wealth functions together with Public Sector Wages Policy wage increases and cost of living payments being made to employees.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9.1.3 Statement of cash flows variances (continued)

	Variance note	Estimate 2023 \$000	Actual 2023 \$000	Actual 2022 \$000	Variance between actual and estimate \$000	Variance between actual results for 2023 and 2022 \$000
CASH FLOW FROM INVESTING ACTIVITIES						
Payments						
Purchase of non-current physical assets	K	(1,780)	(1,660)	(1,225)	120	(435)
Net cash used in investing activities		(1,780)	(1,660)	(1,225)	120	(435)
CASH FLOW FROM FINANCING ACTIVITIES						
Payments						
Principal elements of lease payments		(216)	(251)	(226)	(35)	(25)
Net cash used in financing activities		(216)	(251)	(226)	(35)	(25)
Net increase/(decrease) in cash and cash equivalents		(178)	3,135	1,302	3,313	1,833
Cash and cash equivalents at the beginning of the period		9,575	11,055	9,753	1,480	1,302
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		9,397	14,190	11,055	4,793	3,135

Major actual (2023) and Comparative (2022) variance narratives:

K. Purchase of non-current physical assets increased by \$0.4 million (36%) due to additional leasehold improvements delivered to support the unexplained wealth functions.

OTHER FINANCIAL DISCLOSURES

Capital Works

The Commission's Asset Investment Program funding for 2022-23 was \$1.78 million.

The year-end position was underspent by \$120,000. The underspend largely relates to Technology and Business Equipment.

Capital works during 2022-23 included:

- Operations Support Equipment (\$0.81 million)
- Office and Security Equipment (\$0.039 million)
- Technology and Business Support Systems (\$0.402 million)
- Unexplained Wealth Fit-out (\$0.409 million)

Employment and Industrial Relations

The CCM Act s 179 provides that Commission officers may be appointed for a period up to five years and are eligible for re-appointment. Table 9 shows the full-time equivalent (FTE) allocation by category for the reporting period.

Table 9: Employment category of Commission officers

Employment Category	FTE	
	2021-22	2022-23
Full-time contract	104.0	115.0
Part-time contract measured on an FTE basis	8.6	8.4
On secondment to the Commission	9.0	5.0
Total	121.6	128.4

Employee Wellbeing

The Commission's Employee Assistance Program (EAP) provider delivers a holistic, integrated and preventative wellbeing program. The program provides professional counselling, employee assistance coaching, wellbeing coaching, a manager's 'hotline', recruitment and selection psychological testing, an annual influenza vaccination program, use of force, medical assessments, ergonomic assessments, regular wellbeing check-ins for employees in high-risk positions, and critical incident response and debriefing. The EAP is available 24 hours a day, seven days a week to employees and their family members. The service is complemented by an online wellness hub containing resources on a range of health and wellbeing-related topics.

Employee Development

The Commission is committed to developing a contemporary and accountable workforce with the necessary skills, knowledge and aptitudes to deliver on organisational outcomes now and into the future. The Commission supports its workforce through a broad range of learning and development opportunities underpinned by its Capability and Leadership Framework and its Learning and Development Strategy.

Employees work with their managers through the Performance Planning and Review process to identify their development needs in line with organisational and role requirements, and their career goals.

The Commission's Scholarship Program presents a unique opportunity to expand the Commission's skill set as well as benefitting employee growth. The program:

- proactively targets employee development in areas of identified business need and/or areas of strategic importance; and
- supports employees who make a commitment to their career development through formal study and learning.

In 2022-23, the Commission awarded four scholarships to support employees in their studies towards career development. The scholarships all related to Career Development and included Graduate Diploma of Fraud and Financial Crime, Graduate Certificate in Analytics, Practical Legal Training and Bachelor of Laws.

Other learning and development activities undertaken during 2021-22 included:

- Technical/Role specific training such as computer forensics, data analysis and modelling, and systems training; and
- Compliance training such as Use of Force, Work Health and Safety training, continued professional development for Practising Legal staff and Certified Practising Accountant maintenance.

Workers' Compensation

There were three workers' compensation claims during the reporting period – two were accepted and one remains pending, all of which remain open.

Unauthorised Use of Credit Cards

In accordance with Treasurer's Instruction 321 'Credit cards – authorised use', the Commission is required to report where a Western Australian Government Purchasing Card ('credit card') is used for personal use. Personal use of a Commission credit card in the 2022-23 reporting period is detailed in Table 10.

Table 10: Personal use of Commission credit card

Personal Use	Amount
	\$
Aggregate amount of personal use expenditure for the reporting period	682.73
Aggregate amount of personal use expenditure settled by the due date (within five working days)	682.73
Aggregate amount of personal use expenditure settled after the due date (after five working days)	N/A
Aggregate amount of personal use expenditure outstanding at the balance date	N/A

Commission employees hold Commission credit cards where their functions warrant use of this facility. Cardholders are reminded of their obligations under the Commission's credit card policy, but two employees inadvertently used their credit cards for personal use during the reporting period. The Chief Finance Officer did not refer the matters for disciplinary action as the amounts were settled promptly, the nature of the expenditure was immaterial and the transactions were characteristic of an honest mistake.

OTHER LEGAL REQUIREMENTS

Section 175ZE of the Electoral Act 1907

In compliance with the *Electoral Act 1907* s 175ZE, the Commission is required to report on expenditure incurred in relation to advertising agencies, market research, polling (surveys), direct mail and media advertising organisations. Table 11 details expenditure incurred in relation to those matters in 2022-23, which totalled \$36,591.

Table 11: Commission expenditure on advertising agencies

Expenditure	Entity	Amount	Total
		\$	\$
Advertising Agencies	Initiative Media	16,857	36,591
	LinkedIn	19,734	
Market Research Organisations		0	0
Polling Organisations		0	0
Direct Mail Organisations		0	0
Media Advertising Organisations		0	0
Total		36,591	36,591

Disability Access and Inclusion Plan Outcomes

The Commission's Disability Access and Inclusion Plan (DAIP) recognises its commitment to the principles of substantive equality, diversity and inclusion in the workplace and the work it does.

The Commission's commitment to diversity and inclusion goes beyond the workforce to include those that engage with the Commission. The Commission is committed to ensuring that everyone has equitable access to facilities, its public information and a consistent level of service during any interactions.

The plan outlines four focus areas with a set of key actions that support the Commission in achieving its objective.

FOCUS AREA 1:

Further embed the principles of substantive equality, diversity and inclusion into strategic, business and workforce processes and practices.

Key actions:

- Ensure key planning and policy documents reflect the commitment to the principles of substantive equality, diversity and inclusion.
- Deliberately consider increasing workforce diversity at the start of every recruitment process.
- Hold managers accountable in their performance reviews for promoting and fostering a diverse and inclusive workplace.
- Regularly promote and monitor the Diversity and Inclusion Plan including events which are unable to be formally celebrated within the agency.
- Incorporate diversity planning into the workforce planning cycle.
- Review and improve internal workforce data collection, analysis and use to better support and inform the diversity and workforce planning processes, recruitment strategies and requirements.

FOCUS AREA 2:

Support and empower people to be role models of respectful behaviour and to promote a diverse and inclusive workplace.

Key actions:

- Facilitate awareness and understanding of diversity and inclusion-related obligations, requirements and expectations at the Commission.
- Ensure contractors engaged by the Commission are aware of the expected standards of behaviour within the workplace.
- Regularly review and promote the Code of Conduct, workplace behaviour policy and grievance resolution process to employees.
- Identify and implement learning and development programs that increase employees' diversity and cultural awareness, understanding and capabilities to support an inclusive workplace.
- Explore and promote experiential and social learning opportunities for employees to gain direct experience working with diverse cohorts.
- Maintain corporate membership with Diversity Council Australia for employees to gain access to additional resources to support their diversity and inclusion learning.
- Recognise and acknowledge Aboriginal and Torres Strait Islander peoples by implementing Acknowledgement of Country across the Commission according to agreed guidelines.
- Implement an annual calendar of events to recognise and celebrate equity and diversity and to host speakers from diverse backgrounds.

FOCUS AREA 3:

Proactively attract, support and develop people from diverse backgrounds.

Key Actions:

- Review recruitment, selection and onboarding processes to identify barriers and improve opportunities to attract and recruit people from diverse backgrounds.
- Identify Commission occupational group/job positions to target the recruitment of people from identified diversity groups.
- Implement targeted recruitment strategies such as incoming secondments and placements, hosting internships and graduates, and using relevant sections of the *Equal Opportunity Act 1984* to attract and support people from diverse backgrounds to work at the Commission.
- Continue to promote flexible work and leave arrangements and support employees to observe cultural traditions, and community and family obligations.
- Work with the employee assistance program provider to ensure its programs are inclusive and responsive to the needs of diverse employees.
- Implement actions in the PSC's Family and domestic violence support guidelines to create a safe workspace for employees who may be experiencing family violence.
- Ensure employees with disability have access to any required workplace adjustments.

FOCUS AREA 4:

Ensure facilities, public information and serious misconduct reporting process are accessible to the diverse community.

Key Actions:

- Explore ways that the Commission could meaningfully engage with the community to inform about its role and work, to improve its level of service to people from identified diversity groups. the Commission will specifically focus on engaging with Aboriginal and Torres Strait Islander peoples and community groups, particularly those in remote and regional Western Australia.
- Review the Commission's process that enables members of the public to report allegations of serious misconduct to ensure practices and information are accessible and inclusive to people of diverse backgrounds.
- Explore ways to collect and use demographic information of those who report serious misconduct to help inform the Commission's access and engagement activities.
- Review website content and design to ensure compliance with relevant accessibility and inclusion standards.
- Continue to implement the WA Language Services Policy 2020 by communicating the policy to employees, training front-line employees to use interpreter services and translating key information about the Commission into targeted languages.
- Use plain English and inclusive language in internal and external communications.
- Conduct a building accessibility audit and implement agreed actions to improve access.

Compliance with Public Sector Standards and Ethical Codes

Public Sector Standards

During 2022-23, the Commission did not receive any breaches of standard claims against the Public Sector Standards in Human Resource Management.

The Commission commenced and completed two formal disciplinary processes and received no formal grievances during the reporting period.

WA Public Sector Code of Ethics and the Commission's Code of Conduct

The Commission's Code of Conduct is reviewed to ensure alignment with the Public Sector Commissioner's Guidelines, the Commission's Strategic Plan 2019-2024 and its policies and procedures. All employees read and sign a declaration of commitment to the Code of Conduct upon commencement of employment at the Commission.

Employees also participate annually in Accountable and Ethical Decision-Making (AEDM) training. The Commission regularly reviews this training module to ensure alignment with the Code of Conduct and related policies. In 2022-23, the Commission achieved a 94.7 % completion rate for the AEDM online training module.

Recordkeeping Plans

In compliance with s 19 of the *State Records Act 2000* and with State Records Commission Standard 2, Principle 6, the Commission has an approved Recordkeeping Plan. In 2022-23, as part of the work arising from the current Recordkeeping Plan, the Commission reviewed record holdings in its EDRMS and other repositories for duplication.

Evaluation of recordkeeping systems

During the reporting period, the Commission established an information asset register and implemented a workflow process for correspondence registration and control utilising Kofax Total Agility.

Recordkeeping training

All employees receive recordkeeping training, which comprises group presentations, online awareness modules, ad-hoc workshops and one-to-one training.

All employees attend a mandatory recordkeeping briefing as part of their induction, which addresses individual roles and responsibilities regarding compliance with the Recordkeeping Plan. Employees must also attend EDRMS basics training, and complete and pass an online recordkeeping compliance and awareness module annually.

In 2022-23:

- the Commission achieved a 97% completion rate for the online recordkeeping module. This represents all employees, staff on placement/secondment at the Commission and some contractors who were required to complete the training;
- 13 employees attended face-to-face, specialist EDRMS training; and
- Four employees attended face-to-face, group workflow maintenance training and information sessions.

CCM Act Reporting Requirements

Annual reporting requirements under CCM Act s 91(2) are addressed throughout this report. Table 12 provides the page reference for information relating to these reporting requirements.

Table 12: Report reference for CCM Act reporting requirements

CCM Act Reporting Requirement	Page No.
Allegations received or initiated by the Commission – (s 91(2)(a))	pp 18-19 & pp 83-85
Investigations carried out by the Commission – (s 91(2)(b))	pp 23, 25
Evaluation of the response of appropriate authorities to recommendations made by the Commission – (s 91(2)(c))	p 26
Information furnished under the Act by the Commission to independent agencies – (s 91(2)(d))	p 31
Prosecutions of public officers or other persons or disciplinary action against public officers as a result of Commission investigations – (s 91(2)(e))	p 25
Number of exceptional powers findings made under s46 – (s 91(2) (f)) (not reported elsewhere in the report)	0*
Number of fortification warning notices issued by the Commission under s 68 – (s 91(2)(g)) (not reported elsewhere in the report)	0*
Use of investigative powers (notices, assumed identities, controlled operations, integrity testing programs, warrants) – (ss 91(2)(h)-(o))	p 30
Activities in relation to prevention and education function – (s 91(2)(p))	pp 32-33
Recommendations for changes in the laws of the State – (s 91(2)(q))	p 35
Activities in relation to unexplained wealth function – (s 91(2)(r))	p 24

* The approval of the use of exceptional powers and the issuing of Fortification Warning Notices depends on an application being made by the Commissioner of Police to the Commission. To maintain impartiality and independence, the Commission does not provide legal advice in the application process.

GOVERNMENT POLICY REQUIREMENTS

Occupational Safety, Health and Injury Management

The Commission is committed to providing injury management support to all workers who sustain a work-related injury or illness.

The focus is on a safe and early return to meaningful work, in accordance with the *Workers' Compensation and Injury Management Act 1981*.

Table 13: Performance against targets specified in the Public Sector Commission's Annual Report Guidelines for 2022-23

Measures	Results 2020-21	Results 2021-22	Results 2022-23	Targets	Comments about Targets
Number of fatalities	0	0	0	0	N/A
Lost time injury and disease incidence rate	0.83	0.82	0.00	0 or 10% reduction in incidence rate	N/A
Lost time injury and severity rate	0	0.01	0.00	0 or 10% reduction in severity rate	N/A
Percentage of injured workers returned to work (i) within 13 weeks	0%	0%	N/A	Greater than or equal to 80%	N/A
Percentage of injured workers returned to work (ii) within 26 weeks	N/A	50%	N/A	Greater than or equal to 80%	N/A
Percentage of managers trained in work health and safety injury management responsibilities, including refresher training within 3 years	100%	81%	93%	Greater than or equal to 80%	N/A

WA Multicultural Policy Framework

The Commission seeks to increase its representation of people from identified diversity groups working at the Commission, by pursuing the objectives outlined in the Diversity and Inclusion Plan 2021-2023. The plan was provided to the Minister for Citizenship and Multicultural Interests in support of the broader Western Australian Multicultural Policy Framework.

The Commission's Corporate Executive Committee is committed to the implementation of actions based off the plan, and endorse the annual calendar of events to recognise, educate and celebrate equity and diversity throughout the year.

The Commission has written to the Minister and sought to extend the plan and activities until 30 June 2024.

Key actions during the year included:

- Harmony Week;
- Mental Health Week;
- World Health Day;
- International Day of People with Disability; and
- Aboriginal and Torres Strait Islander Cultural Awareness e-training.

APPENDICES

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Overview of Allegation Assessment Decisions 85

APPENDIX ONE

OVERVIEW OF SERIOUS MISCONDUCT ALLEGATIONS

As per the previous reporting period, the majority of allegations were received through legislated reporting requirements, obliging certain officers to notify the Commission of serious misconduct.

Table 14: The source for all allegations assessed in 2022-23, compared with the previous reporting period

Allegation Source	2022-23		2021-22	
	No.	%	No.	%
Certain officers obliged to notify serious misconduct (s 28)	3,195	54.2	3,332	47.6
Any person may report serious misconduct (s 25)	2,583	43.8	3,202	44.5
Public Sector Commission referrals (s 45M(d))	113	1.9	233	3.2
Commission's own propositions (s 26)	4	0.1	7	0.1
Total	5,895	100	7,008	100

► The source of allegations can be further broken down into which sector the allegation relates to as per Table 16.

Table 15: Assessed allegations by source and sector in 2022-23

Allegation Source	WA Police Force	% of Police Force Allegations	Rest of WA Government sector	% of Rest of Government Sector Allegations	Out of Jurisdiction or no Agency specified	% of Out of Jurisdiction or No Agency Specified Allegations	Total
Certain officers obliged to notify serious misconduct (s 28)	2,133	61.3%	1,038	47.7%	24	10.1%	3,195
Any person may report serious misconduct (s 25)	1,347	38.7%	1,025	47.1%	211	89.0%	2,583
Public Sector Commission referrals (s 45M(d))	0	0%	111	5.1%	2	0.8%	113
Commission's own propositions (s 26)	1	0%	3	0.1%	0	0%	4
Total	3,481	100%	2,177	100%	237	100%	5,895
Percentage of Total Allegations	59.1%		36.9%		4.0%		100%

Percentages may not total 100% due to rounding.

Public Authority/Sector

The distribution of allegations across public authorities and sectors has largely remained consistent over the last two reporting periods as detailed in Table 16.

Table 16: Public authority/sector for allegations assessed

Public Authority/Sector	2022-23		2021-22	
	No.	%	No.	%
WA Police Force	3,481	59.1	3,811	54.4
Local Government Authorities	476	8.1	571	8.1
Department of Justice	352	6.0	446	6.4
Independent Agencies/Other Authorities	308	5.2	522	7.4
Department of Education	421	7.1	568	8.1
WA Health Sector	349	5.9	361	5.2
Subject Body not within Jurisdiction	237	4.0	287*	4.1*
Department of Communities	164	2.8	224	3.2
Transport Portfolio	80	1.4	139	2.0
Tertiary Education Sector	27	0.5	79	1.1
Total	5,895	100	7,008	100

* Figure was incorrectly reported as 224 (3.2%) in the 2021-22 Report.

All police misconduct is reportable to the Commission. 'Police misconduct' includes conduct of sworn and un-sworn members, as well as contractors performing functions and services for, or duties in service of WA Police Force.

Allegations of police misconduct consistently accounts for over half of all allegations assessed by the Commission.

The Independent agencies/other authorities category contains allegations relating to all other agencies and authorities including but not limited to Government utilities, Ports, Treasury and Finance.

The WA Health sector refers to the Department of Health, the Mental Health Commission and the following Health Service Providers (HSPs): North Metropolitan Health Service; South Metropolitan Health Service; East Metropolitan Health Service; WA Country Health Service; Child and Adolescent Health Service; Health Support Services; Health and Disability Services Complaints Office and PathWest Laboratory Medicine WA.

The Transport portfolio refers to the Department of Transport, Main Roads WA and Public Transport Authority.

The Tertiary education sector refers to the four public universities (Curtin University, Edith Cowan University, Murdoch University and the University of Western Australia) and five TAFE colleges (North and South Metropolitan TAFE and North, Central and South Regional TAFE).

APPENDIX TWO

OVERVIEW OF ALLEGATION ASSESSMENT DECISIONS

Table 17 provides an overview of the assessment decisions for allegations assessed during the reporting period, broken down by WA Police Force and the rest of the WA Government sector. Those allegations assessed as outside of the WA government sector have been excluded (227 allegations). While the Commission does not have power to take action in respect of these allegations the Commission may share information about them with other authorities where appropriate.

Table 17: Overview of allegation assessment decisions in 2022-23

Assessment Decision	WA Police Force		Rest of WA Government sector		Not in WA Government sector or no Agency specified		Total	
	No	%	No	%	No	%	No	%
Out of Jurisdiction	142	4.1	369	16.9	223	94.1	734	12.4
No Further Action Taken – s 33(1)(d)	2,863	82.2	1,449	66.6	13	5.5	4,325	73.4
Referred to an Appropriate Authority (AA) or Independent Agency (IA) for Action s 33(1)(c)	464	13.3	322	14.8	0	0	786	13.3
- Referred to AA – monitor for outcome	413	11.9	308	14.1	N/A	N/A	721	12.2
- Referred to AA – monitor for review	51	1.5	14	0.6	N/A	N/A	65	1.1
- Referred to IA	0	0	0	0	N/A	N/A	0	0
Commission Investigations s 33(1)(a), s 33(1)(b) and s 32(2)	7	0.2	28	1.3	0	0	35	0.6
- Commission to Investigate independently – s 33(1)(a)	1	0	5	0.2	N/A	N/A	6	0.1
- Commission to investigate in cooperation with a public authority – s 33(1)(b)	1	0	5	0.2	N/A	N/A	6	0.1
- Pending the Outcome of a Commission Preliminary Investigation – s 32(2)	5	0.1	18	0.8	N/A	N/A	23	0.4
Pending a Decision by the Commission's Operations Committee	5	0.1	9	0.4	1	0.4	15	0.2
Total	3,481	100	2,177	100	237	100	5,895	100

Percentages may not total 100 due to rounding.

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Make an allegation

If you wish to report serious misconduct or corruption,
please use the online forms on our website.

Alternatively, you can send an email to the Commission
at reportcorruption@ccc.wa.gov.au.



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